

Metropolitan Water District of Southern California

Final Report
Rates and Charges

June 28, 2002

*Metropolitan Water District of Southern California
Rates and Charges*

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1 Executive Summary

Metropolitan's Board has adopted a new rate structure through a lengthy and open process. The rate structure is designed in accordance with the Rate Structure Action Plan of December 12, 2000; the Composite Rate Structure framework of April 11, 2000; the Strategic Plan Policy Principles of December 14, 1999, and the Strategic Plan Steering Committee Guidelines of January 6, 2000. After resolving implementation issues that arose during the refinement of the detailed rate design the Board adopted the rate structure on October 16, 2001. This report describes the rate structure in detail including the cost of service process that supports the rates and charges. The timeline for the development of the rate structure is presented in Figure 1.

The rate structure supports the strategic planning vision that Metropolitan is a regional provider of services, encourages the development of additional local supplies like recycling and conservation and accommodates a water transfer market. Through its regional services, Metropolitan ensures a baseline of reliability and quality for imported water deliveries in its service area. By unbundling its full-service water rate, Metropolitan provides greater opportunity for member agencies to competitively manage their supplies and demand to meet future needs in a responsible least cost manner.

1.1 Objectives

In accordance with the Strategic Plan Policy Principles, the rate structure is designed to accomplish the following:

- **Accountability.** Define the linkage among costs, charges, and benefits through a cost of service approach consistent with industry guidelines.
- **Regional Provider.** Ensure that regional services are provided to meet the existing and growth needs of member agencies.
- **Equity.** Ensure that users, including member agencies and other entities, pay the same rates and charges for like classes of services and provide fair allocation of costs through rates and charges.
- **Environmental Responsibility.** Encourage wise environmental stewardship and effective demand management by funding conservation and recycling projects and programs, and using pricing to encourage investments in conservation and recycling and other economical local supplies.
- **Choice and Competition.** Offer choices for services to member agencies and accommodate the development of a water transfer market.

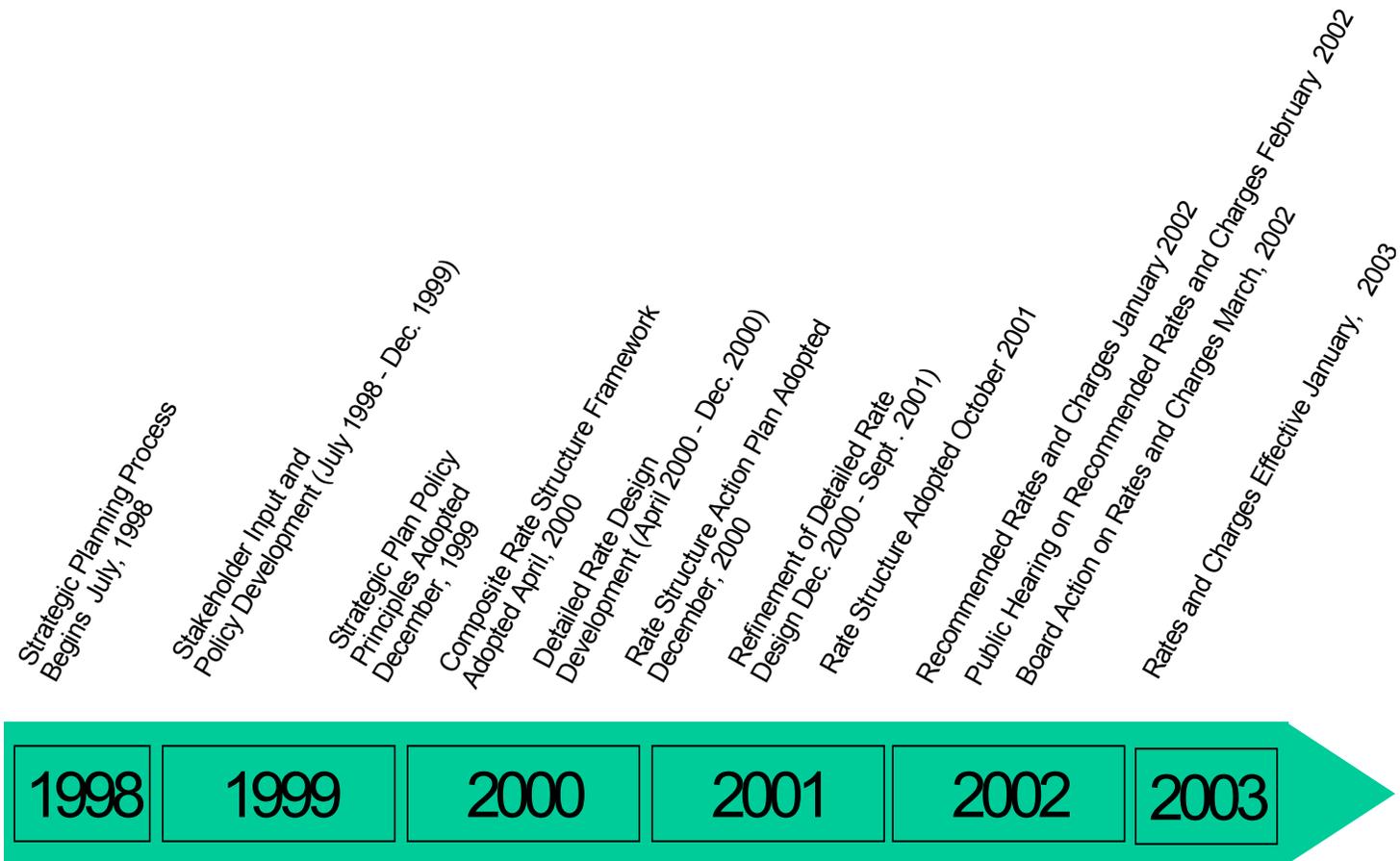
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- Water Quality. Support source quality improvements and water treatment systems that are required to ensure safe drinking water and the feasibility of water recycling and groundwater management programs.
- Financial Integrity. Establish a financial commitment from the member agencies that provides financial security for Metropolitan and does not transfer undue risk to member agencies, individually or as a whole

The effectiveness of the new rate structure can be assessed by its ability to meet these objectives relative to the current rate structure. This assessment is summarized in Figure 2.

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Figure 1. Rate Structure Development Timeline



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Figure 2. Meeting the Rate Structure Objectives

Rate Structure Objectives	Current Rate Structure	New Rate Structure
Accountability: Cost-of-service approach	Yes	Improved √ Consistent with current industry guidelines √ Reviewed by industry experts
Regional Provider: Meet public needs	Yes	Yes
Long-term financial commitment from member agencies.	No	Purchase Orders ensure financial commitment
Environmental Responsibility: Conservation and local resources development	Yes √ Funding for support of conservation and recycling embedded in water rate	Yes √ Established a water stewardship charge as a dedicated source of funding for recycling and conservation √ Implemented Tiered Pricing to encourage conservation, recycling and other investments in local resources
Choice and Competition: - Choice of services - Supply price signal	√ All service bundled into a single water rate Unclear √ Embedded in full-service rate	√ Supply, conveyance /distribution, power and treatment priced separately Clear √ Price for additional supply reflects cost to develop additional supply
Water Quality: Support source quality and treatment	Yes	Yes
Equity: - equal treatment - growth charge peaking surcharge - wheeling rate - fixed charge for standby service	Yes Yes - adopted and collection suspended No Yes Yes	Yes Yes-(deferred until 2006) Yes Yes Improved

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1.2 Beneficial Changes

The rate structure includes the following beneficial changes in how Metropolitan recovers the cost of providing services.

- The water rates used in the current rate structure are unbundled into separate services of supply, conveyance and distribution, water stewardship and power.
- A tiered pricing structure encourages the development of cost-effective local water resources, including conservation, water recycling, groundwater recycling and desalination. In addition, member agencies with increasing demands for Metropolitan system supplies will pay a larger proportion of the cost of developing supply.
- A Capacity Reservation Charge and Peaking Surcharge allocates the cost of peak distribution capacity to member agencies that cause the greatest peaks on the system.
- A water stewardship charge provides a dedicated source of funding for the continuation of regional investments in conservation and recycling and other economical local resources.

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1.3 Rate Structure Design

The different elements of the rate structure are summarized in Figure 3 below.

Figure 3. Summary of Rate Structure Elements

Rate Design Elements	Service Provided/ Costs Recovered	Type of Charge	Rate or Charge Effective January 1, 2003
System Access Rate	Conveyance/Distribution (Average Capacity)	Volumetric (\$/af)	\$141
Water Stewardship Rate	Conservation/Local Resources	Volumetric (\$/af)	\$23
System Power Rate	Power	Volumetric (\$/af)	\$89
Treatment Surcharge	Treatment	Volumetric (\$/af)	\$82
Capacity Reservation Charge (CRC)/Peaking Surcharge (PS)	Peak Distribution Capacity	Fixed/Volumetric (\$/cfs)	\$6,100 (CRC) \$18,300 (PS)
Readiness-To-Serve Charge	Conv./Distr./Emergency Storage(Standby Capacity)	Fixed (\$M)	\$80 Million
Tier 1 Supply Rate	Supply	Volumetric/Fixed (\$/af)	\$73
Tier 2 Supply Rate	Supply	Volumetric (\$/af)	\$154
Surplus Water Rates	Replenishment/Agriculture	Volumetric (\$/af)	\$233/\$236 (untreated) \$290/294 (treated)

1.3.1 System Access Rate (SAR)

The SAR has been developed according to a "load-based" approach commonly utilized in rate structure designs in the water, electric and gas sectors.

Purpose

The SAR recovers the cost of the conveyance and distribution system that is used on an average annual basis through a uniform volumetric rate. All users pay the SAR for access to conveyance and distribution capacity in the Metropolitan system.

Revenue Requirement and Rates and Charges

In fiscal year 2002/03, the revenue requirement for this portion of the conveyance and distribution system is estimated to be approximately \$273 million, or 32% of the total

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revenue requirement. Based on average expected system usage of 2.0 million acre-feet, the SAR is recommended to be \$141 per acre-foot.

Implementation

The SAR is charged for each acre-foot of water conveyed and distributed by Metropolitan. All users (member agencies and third parties) using the Metropolitan system to convey water pay the same SAR for the use of the system conveyance and distribution capacity used to meet average annual demands.

1.3.2 Water Stewardship Rate (WSR)

Purpose

The water stewardship rate provides a dedicated source of funding for conservation and local resources development. The WSR will support past and future conservation and local resources projects. Because of the uniform benefits conferred on all system users by investments in conservation and local resources, all users of Metropolitan's conveyance and distribution system will pay the water stewardship rate.

Revenue Requirement and Price

In fiscal year 2002/03, the revenue requirement for the WSR is estimated to be \$45 million, 5% of total revenue requirements. The water stewardship rate is estimated to be \$23 per acre-foot, based on system deliveries of 2.0 million acre-feet.

Implementation

The water stewardship rate is charged to each acre-foot of water delivered by Metropolitan. All users, member agencies and third-party wheelers benefit from the system capacity made available by investments in demand management programs like Metropolitan's Conservation Credits Program and Local Resources Program. Therefore, all users pay the water stewardship rate.

1.3.3 System Power Rate (SPR)

Purpose

The System Power Rate recovers the costs of energy required to pump water to Southern California through the State Water Project and Colorado River Aqueduct. The cost of power is recovered through a uniform volumetric rate.

Revenue Requirement and Price

In fiscal year 2002/03, the revenue requirement for power service is estimated to be \$172 million, 20% of the total revenue requirements. The System Power Rate is estimated to be \$89 per acre-foot.

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Implementation

The System Power Rate is applied to all deliveries to member agencies. Wheeling parties will pay for the actual cost (not system average) of power needed to move the water. For example, water wheeled through the California Aqueduct would pay the variable power cost associated with moving the water.

1.3.4 Treatment Surcharge

Purpose

The treatment surcharge recovers the costs of providing treatment capacity and operations through a uniform, volumetric surcharge (same as current rate structure).

Revenue Requirement and Price

In fiscal year 2002/03, the revenue requirement for treatment service is estimated to be approximately \$111 million, 13% of the total. The treatment surcharge is recommended to remain at its current level of \$82 per acre-foot. The treatment surcharge for long-term storage and interim agricultural service does not include costs incurred to provide peak treatment capacity and is recommended to remain at its current level of \$57 per acre-foot and \$58 per acre-foot respectively.

Implementation

The treatment surcharge will be applied to all treated water deliveries.

1.3.5 Capacity Reservation Charge (CRC) and Peaking Surcharge (PS)

The Capacity Reservation Charge has been developed according to the "load-based" approaches utilized in rate structure designs in the water, electric, and gas sectors.

Purpose

The Capacity Reservation Charge and Peaking Surcharge provide a price signal to encourage agencies to reduce peak day demands on the system and to shift demands that occur during the May 1 through September 30 period into the October 1 through April 30 period, resulting in more efficient utilization of Metropolitan's existing infrastructure and deferring capacity expansion costs. The Capacity Reservation Charge recovers the cost of distribution capacity that is used for peaking through a fixed charge.

Revenue Requirement and Price

In fiscal year 2002/03, the revenue requirement for peaking capacity of the distribution system is approximately \$27 million, about 3% of the total. Without the Capacity Reservation Charge (or some other type of peaking charge) these costs would be recovered by the System Access Rate. Based on recent member agency daily peaking trends, the Capacity Reservation Charge is estimated to be \$6,100 per cubic foot second of requested flow. A Peaking Surcharge of \$18,300 per cubic foot second will be levied on flows that exceed the requested capacity amount.

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Implementation

Each member agency will identify the expected maximum day flow it anticipates during the year. The Capacity Reservation Charge is a fixed charge that each agency will pay, based on this requested maximum day flow. If the member agency exceeds its maximum day flow during the summer months (May 1 through September 30), a Peaking Surcharge will be levied on the flow that exceeds the maximum day flow. The Peaking Surcharge will be levied one time each year on the maximum amount of flow that exceeds the reserved capacity amount.

1.3.6 Readiness-To-Serve Charge (RTS)

Purpose

The RTS is a fixed charge that recovers the cost of the portion of system conveyance, distribution and system storage capacity that is on standby to provide emergency service and operational flexibility. Without the Readiness-to-Serve charge (or some other type of fixed charge) these costs would be recovered by the Tier 1 and Tier 2 Supply Rates and the System Access Rate.

Revenue Requirement and Price

In fiscal year 2002/03, the revenue requirement is estimated to be approximately \$82 million, 10% of the total. The total RTS is recommended to remain at its current level of \$80 million to ease the transition to the new rate structure and minimize the initial financial impacts to the member agencies. The Board will consider the total RTS level each year and may make adjustments as part of its regular rate setting process.

Implementation

The RTS will be allocated among the member agencies based on a ten-fiscal-year rolling average of firm demands. Long-term storage and agricultural deliveries are excluded, while water transfers and exchanges are included for purposes of calculating the ten-year rolling average used to allocate the RTS. The standby charge will continue to be collected at the request of the member agency and applied as a direct offset to each agency's RTS obligation. Member agencies may elect to pay their net RTS obligation on a monthly, quarterly or semi-annual payment schedule.

1.3.7 Tier 2 Supply Rate

The costs of maintaining existing supplies and developing additional supplies are recovered through a two-tiered pricing approach. The higher Tier 2 Supply rate is set at Metropolitan's cost of developing supply. When included with the other rate components the Tier 2 Supply Rate provides a price signal to encourage cost effective conservation and local resources development.

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Purpose

The Tier 2 Supply Rate is set at Metropolitan's cost of developing supply to encourage the member agencies and their customers to maintain existing local supplies and develop cost-effective local supply resources and conservation. The Tier 2 Supply Rate also recovers a greater proportion of the cost of developing additional supplies from member agencies that have increasing demands on the Metropolitan system. Therefore, the Tier 2 Supply Rate partially addresses customer equity issues between member agencies that are not increasing their demands on the system and member agencies that continue to need additional imported water supplies.

Revenue Requirement and Price

The Tier 2 Supply Rate is recommended to be \$154 per acre-foot. Appendix 2 of this report presents the calculation of the Tier 2 Supply Rate.

The total revenue requirement for the supply service function is about \$150 million in fiscal year 2002/03. At an expected average sales level of 2.0 million acre-feet it is estimated that about 87,000 acre-feet will be sold at the Tier 2 Supply Rate. This will generate about \$18 million. The Tier 1 Supply Rate and a portion of the long-term storage water rate and agricultural water rate recover the remaining supply costs.

Implementation:

The Tier 2 Supply Rate will be charged to all firm water sales above 60 percent of a member agency's base demand, unless the member agency elects to execute a Purchase Order (see section 1.3.9). A member agency's initial base demand is calculated as the greater of the maximum annual firm demand for the 13 years ending June 30, 2002. If a member agency submits a Purchase Order it will pay the Tier 2 Supply Rate for all firm demands that exceed 90 percent of its base demand. Wheeling parties do not pay the Tier 2 Supply Rate.

1.3.8 Tier 1 Supply Rate

Purpose

The Tier 1 Supply Rate recovers the majority of the supply revenue requirement.

Price

The Tier 1 Supply Rate is recommended to be \$73 per acre-foot. The Tier 1 Supply Rate recovers the remaining supply revenue requirement not recovered by the Tier 2 Supply Rate and a portion of the long-term storage water rate and the agricultural water rate. Given expected sales of 2.0 million acre-feet and that all member agencies submit Purchase Orders, about 1.6 million acre-feet will be sold at the Tier 1 Supply Rate.

Implementation

Member agencies without a Purchase Order will pay the Tier 1 Supply Rate for all firm demands up to 60 percent of their base demand. Member agencies with Purchase Orders will

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pay the Tier 1 Supply Rate for all firm demands up to 90 percent of their base demand. Wheeling parties do not pay the Tier 1 Supply Rate.

1.3.9 Purchase Order Option

Purpose

The Purchase Order serves two purposes. First, it creates a financial commitment from the member agency to Metropolitan. A member agency that submits a Purchase Order is committing to purchase a minimum amount of water as defined by the Purchase Order over a ten-year period. Second, the Purchase Order defines the point at which a member agency begins to pay the higher Tier 2 Supply Rate. Member agencies with a Purchase Order receive the benefit of being able to purchase up to 90 percent of their base demand at the lower Tier 1 Supply Rate. Member agencies without a Purchase Order may only purchase up to 60 percent of their base demand at the lower Tier 1 Supply Rate.

Implementation

The Purchase Order is for a ten-year term beginning January 1, 2003. Through the Purchase Order, a member agency commits to purchase ten times 60 percent of its initial base demand. A member agency's initial base demand is defined as the maximum annual demand for the 13-year period ending June 30, 2002. There is no annual purchase requirement. The only requirement is that the entire Purchase Order commitment be paid by the end of the ten-year term. For example, if a member agency has an initial base demand of 100,000 acre-feet, then its Purchase Order commitment would be 600,000 acre-feet (ten times 60 percent of its initial base demand). At the end of the ten-year term any remaining balance of the Purchase Order commitment will be billed to the member agency at the then-current Tier 1 Supply Rate. For example, an agency with a Purchase Order commitment of 600,000 acre-feet that has only taken delivery of 500,000 acre-feet by the end of the Purchase Order term will still have to pay for the remaining 100,000 acre-feet of the Purchase Order commitment. If all of the member agencies submit a Purchase Order, Metropolitan will have a committed sales base of over 11.9 million acre-feet of supply through the year 2012.

1.3.10 Long-term Seasonal Storage Program and Agricultural Water Program

Purpose

Metropolitan currently administers two pricing programs that make system supplies (system supplies in excess of what is needed to meet consumptive municipal and industrial demands) available to the member agencies at a discounted water rate. The long-term seasonal storage service program provides surplus system supplies when available for the purpose of replenishing local storage. The interim agricultural water program also makes surplus system water available for agricultural purposes.

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Price

It is recommended that the current rates for the untreated long-term seasonal storage service program sales and the interim agricultural water program sales remain at their current levels of \$233 and \$236 per acre-foot respectively. The rate for treated water delivered under these programs would also remain at the current rates of \$290 per acre-foot and \$294 per acre-foot respectively. Revenue generated from these rates is used to proportionately offset the revenue requirements that are otherwise recovered by the Tier 1 and Tier 2 Supply Rates, System Access Rate, System Power Rate and Water Stewardship Rate. In fiscal year 2002/03 about 100,000 acre-feet is estimated to be delivered through the long-term seasonal storage service program. These sales will generate about \$23 million. Additionally, about 110,000 acre-feet will be sold through the interim agricultural water program. These sales will generate about \$26 million. The revenue from the long-term seasonal storage service program and the agricultural water program will be used to reduce the revenue requirement for the Tier 1 and Tier 2 Supply Rates, the System Access Rate, the Water Stewardship Rate and System Power Rate.

Implementation

It is recommended that the long-term seasonal storage service program and the interim agricultural water program be continued in their current form. The Board may at any time review and amend these programs.

Schedule ES-1 summarizes how the total revenue requirement is recovered among the rates and charges summarized above. Schedule ES-2 presents the recommended rates and charges to be effective January 1, 2003 and compares these rates and charges to the current rates and charges.

1.4 Estimated Impacts to Member Agencies

Each member agency's payment for water delivery from Metropolitan has been estimated under the current and new rate structure in fiscal year 2002/03. The potential impacts of the proposed rate structure on member agencies have been evaluated by comparing the total payments under current rates and charges to payments under the new rates and charges. To simplify the analysis, it is assumed that the rates and charges are in effect for the entire fiscal year (the test year), even though the new rates and charges will actually be effective January 1, 2003.

The estimated payments and impacts are shown in Schedule ES-3. It is important to note that these estimates are based on the following assumptions for the purpose of demonstration.

- Total system sales of 2.0 million acre-feet
- The new rates and charges are effective throughout the fiscal year.
- All member agencies submit a Purchase Order and therefore do not pay the higher Tier 2 Supply Rate until they exceed 90 percent of their base demand.

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- The purchase amounts of Tier 2 water, agricultural, and replenishment supplies are estimated according to demand projections under expected normal conditions developed by Metropolitan.
- The Capacity Reservation Charge is calculated based on the member agencies' current peaking trends.

Given test year billing requirements, and the above assumptions no member agency will pay more or less than three percent of what its costs would be under the current rates and charges. This achieves a rate design objective of minimizing the initial impact to individual member agencies. Based on this evaluation, the new rate structure would not significantly disadvantage any member agency.

The following detailed report is organized into five major sections:

- *Policy Guidance* - a review of the policy guidance that motivated the rate design.
- *Composite Rate Structure Framework* – a review of the process through which the Framework was developed, a brief overview of the Framework and a description of the rate design process.
- *Cost of Service Process*– an explanation of how Metropolitan’s revenue requirements are 1) determined; 2) logically sorted into the major services that Metropolitan provides to the member agencies; and 3) classified by use of the Metropolitan system into peak demand, average annual demand, and standby service.
- *Rate Design* – a description of each rate design element in terms of the costs recovered by the element and its relation to the cost of service process and the benefits each element provides in terms of how it addresses one or more policy issues facing Metropolitan
- *Impact Analysis* – a discussion of the results of, and assumptions behind, the impact analyses that compares the revenues paid by the member agencies under the current and proposed rate structure.

In addition, appendices to the report provide: (1) detailed schedules supporting the cost of service process (see Appendix 1); (2) a discussion of how the Tier 2 Supply Rate was determined (see Appendix 2); (3) line item invoices by member agency for both the current and new rate structure (see Appendix 3) and (4) frequently asked questions about the new rate structure (see Appendix 4).

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Schedule ES-1 Summary of Revenue Requirements (by rate design element)

	FY2003	Percent of Total Revenue Requirement
Supply	\$ 149,713,615	17.4%
System Access Rate		
Conveyance	184,674,067	21.5%
<u>Distribution</u>	88,505,263	10.3%
Sub-total System Access Rate	273,179,331	31.8%
System Power Rate	171,818,536	20.0%
Capacity Reservation Charge		
Conveyance	-	0.0%
Distribution	27,215,880	3.2%
<u>Treatment</u>	-	0.0%
Sub-total Capacity Reservation Charge	27,215,880	3.2%
Readiness-to-Serve		
Emergency Storage	62,522,772	7.3%
Standby Conveyance Capacity	19,144,015	2.2%
Standby Distribution Capacity	-	0.0%
<u>Standby Treatment Capacity</u>	-	0.0%
Sub-total Readiness-to Serve	81,666,786	9.5%
Treatment Surcharge	110,924,752	12.9%
Water Stewardship Rate	44,692,875	5.2%
Total Costs Allocated	859,211,775	100.0%

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Schedule ES-2 Existing and Recommended Rates and Charges

	Current Rates and Charges	Recommended Rates and Charges
	Effective January 1, 2002	Effective January 1, 2003
Tier 1 Supply Rate (\$/af)	N/A	\$73
Tier 2 Supply Rate (\$/af)	N/A	\$154
System Access Rate (\$/af)	N/A	\$141
System Power Rate (\$/af)	N/A	\$89
Water Stewardship Rate (\$/af)	N/A	\$23
Full Service Untreated Water Rate (\$/af)	\$349	
Tier 1	N/A	\$326
Tier 2	N/A	\$407
Seasonal Shift Untreated Water Rate (\$/af)	\$288	N/A
Long-term Storage Water Rate (\$/af)	\$233	\$233
Interim Agricultural Water Program (\$/af)	\$236	\$236
Treatment Surcharge (Full Service \$/af)	\$82	\$82
Readiness-to-Serve Charge (\$M)	\$80.0	\$80.0
Capacity Reservation Charge (\$/cfs)	N/A	\$6,100
Peaking Surcharge (\$/cfs)	N/A	\$18,300
Connnection Maintenance Charge (\$M)	\$2.9	N/A

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**Schedule ES-3 Estimated fiscal year 2002/03 impacts
(total average cost by agency)**

	Current Rate Structure	New Rate Structure ¹ & 2	Change from Current Rate Structure	Percent Change from Current Rate Structure
Anaheim	\$ 6,600,000	\$ 6,500,000	\$ (100,000)	-1.5%
Beverly Hills	6,300,000	6,200,000	(100,000)	-1.6%
Burbank	4,700,000	4,700,000	-	0.0%
Calleguas	53,400,000	54,200,000	800,000	1.5%
Central Basin	35,000,000	33,900,000	(1,100,000)	-3.1%
Compton	2,000,000	2,000,000	-	0.0%
Eastern	34,600,000	34,800,000	200,000	0.6%
Foothill	4,600,000	4,700,000	100,000	2.2%
Fullerton	3,700,000	3,600,000	(100,000)	-2.7%
Glendale	11,500,000	11,400,000	(100,000)	-0.9%
Inland Empire	19,900,000	20,000,000	100,000	0.5%
Las Virgenes	10,000,000	10,200,000	200,000	2.0%
Long Beach	19,300,000	18,900,000	(400,000)	-2.1%
Los Angeles	96,300,000	96,300,000	-	0.0%
MWDOC	114,500,000	113,400,000	(1,100,000)	-1.0%
Pasadena	9,400,000	9,700,000	300,000	3.2%
San Diego	211,400,000	211,500,000	100,000	0.0%
San Fernando ³	n/a	n/a		
San Marino	400,000	400,000	-	0.0%
Santa Ana	4,800,000	4,800,000	-	0.0%
Santa Monica	5,400,000	5,500,000	100,000	1.9%
Three Valleys	29,500,000	29,100,000	(400,000)	-1.4%
Torrance	7,900,000	7,800,000	(100,000)	-1.3%
Upper San Gabriel	7,700,000	7,700,000	-	0.0%
West Basin	73,800,000	71,600,000	(2,200,000)	-3.0%
Western	37,200,000	37,600,000	400,000	1.1%
TOTAL	\$ 810,200,000	\$ 806,400,000	\$ (3,800,000)	-0.5%

Notes:

[1] Assumes rates and charges for each rate structure are effective for the entire year (i.e. new rates and charges are assumed to be in place on July 1 2002 even through new rates will not actually be in effect until January 2003).

[2] Assumes all member agencies submit a Purchase Order

[3] San Fernando is estimated to take 30 acre-feet during fiscal year 2002/03. Under the current rate structure, San Fernando would receive a credit of about \$21,000 due to Standby Charges paid. It is estimated that San Fernando would receive a credit of \$16,000 under the new rate structure.

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2 Policy Guidance

Staff's efforts to develop a detailed rate design have been guided by policy principles and guidelines developed by the Board and the Strategic Plan Steering Committee and recommendations that emerged from the earlier Rate Refinement Process. Input from member agencies and Board members subsequent to the Board adoption of the December Action Plan in December of 2000 further refined the rate design to ease its implementation and reduce the transfer of risk to the member agencies.

2.1 Authorization

The Board directed staff to design a rate structure through the Strategic Planning Process and through other Board actions related to the Rate Refinement Process and interim pricing strategies. The following briefly reviews Board direction to staff regarding the rate structure.

2.1.1 Strategic Planning Process

At its meeting in April 2000, the Board "approved the composite rate structure framework for public review as discussed by the Strategic Plan Steering Committee, and directed staff, in cooperation with the agency managers, to do the following:

1. Conduct a sixty-day (60) public comment period on the Composite Rate Structure Framework and report periodically to the Board the public comments received and make a monthly report of the public input to the Executive Committee;
2. Develop the detailed design of a proposed rate structure to be implemented by fiscal year 2002, based upon the Composite Rate Structure Framework and the input received from the public for the Board's consideration no later than its September 2000 meeting; and
3. Develop a form of a take or pay contract between Metropolitan and its member agencies to implement proposed rate structure for the Board's consideration no later than its September 2000 meeting."

Additionally, the Board reaffirmed the Strategic Plan Policy Principles, which provide the foundation for the Composite Rate Structure Framework. The Board's actions in the strategic planning process were reported at the joint hearing of the State Senate Agriculture and Water Resources Committee and the State Assembly Water, Parks and Wildlife Committee.

The strategic planning process was initiated in July 1998 in an effort to address the evolving needs of the member agencies and their retail purveyor customers and to effectively fulfill Metropolitan's mission of providing a high quality, reliable supply of affordable water for the residents of its service area. The outcome of this process was the Strategic Plan Policy Principles, which were approved by the Board on December 14, 1999, and a related

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Composite Rate Structure Framework. The principles established a comprehensive approach to how Metropolitan conducts business in the future, providing the opportunity for member agencies to competitively manage their cost of imported water supply while ensuring reliability, quality, and fairness. The Composite Rate Structure Framework provides a basic blueprint for the design of a rate structure that meets four basic objectives:

- Promotes the best use of available water resources through pricing and market mechanisms.
- Ensures a fair allocation of costs among classes of customers for Metropolitan's current and future investments in water supply and infrastructure.
- Establishes rates and charges at a level that would generate the income needed to operate on a self-sustaining basis by recovering relevant revenue requirements.
- Provides financial commitment from the member agencies to Metropolitan.

2.2 Strategic Plan Policy Principles

On December 14, 1999, the Board unanimously approved the Strategic Plan Policy Principles. These principles represent the Board's vision that Metropolitan is a regional provider of wholesale water supply services. Through its regional services, Metropolitan ensures a baseline of reliability and quality for water service in its service area. By unbundling its water rate and offering conveyance and distribution service under cost of service rates and charges separate from supply, Metropolitan provides the opportunity for member agencies to competitively manage their supply costs in a water transfer market. Providing certainty of regional services like conveyance and distribution at cost, and choice of supply at competitive rates, will allow agencies the opportunity to maintain reliable supplies in a cost effective and responsible manner.

The Strategic Plan Policy Principles are the foundation for the design of the rate structure. These principles are:

Regional Provider. Metropolitan is a regional provider of wholesale water services. In this capacity, Metropolitan is the steward of regional infrastructure and the regional planner responsible for coordinated drought management and the collaborative development of additional reliable supplies and any necessary capacity expansion. Accordingly, the equitable allocation of water supplies during droughts will be based on water needs and adhere to the principles established by the Water Surplus and Drought Management Plan (WSDM).

Local Resources Development. Metropolitan supports local resources development in partnership with its member agencies and by providing its member agencies with financial incentives for conservation and local projects.

Imported Water Service. Metropolitan is responsible for providing the region with imported water, meeting the committed demands of its member agencies.

Choice and Competition. Beyond the committed demands, the member agencies may choose the most cost-effective additional supplies from either Metropolitan, local resources

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development and/or market transfers. These additional supplies can be developed through a collaborative process between Metropolitan and the member agencies, effectively balancing local, imported, and market opportunities with affordability.

Responsibility for Water Quality. Metropolitan is responsible for advocating source water quality and implementing in-basin water quality for imported supplies provided by Metropolitan to assure full compliance with existing and future primary drinking water standards and to meet the water quality requirements for water recycling and groundwater replenishment.

Cost Allocation and Rate Structure. The fair allocation of costs and financial commitments for Metropolitan's current and future investments in supplies and infrastructure may not be reflected in status quo conditions and will be addressed in a revised rate structure:

- a) The committed demand, met by Metropolitan's imported supply and local resources program, has yet to be determined.
- b) The framework for a revised rate structure will be established to address allocation of costs, financial commitment, unbundling of services, and fair compensation for services including wheeling, peaking, growth, and others.

Financial Integrity. The Metropolitan Water District will take all necessary steps to assure the financial integrity of the agency in all aspects of its operations.

2.3 Strategic Plan Steering Committee Guidelines

In addition to the Strategic Plan Policy Objectives adopted by the Board in 1999, the Strategic Plan Steering Committee approved on January 6, 2000 a set of guidelines for the development of the rate structure:

- "Needs-Based" Allocation. Dry year allocation should be based on need.
- No Significant Disadvantage. Rate structure should not place any member agency in a position of significant economic disadvantage.
- Fair. Rate structure should be fair.
- Simple. Rate structure should be reasonably simple and easy to understand.

3 Composite Rate Structure Framework

3.1 Composite Framework development

The Composite Rate Structure Framework arose out of an extensive Strategic Planning Process initiated in July of 1998. Through a series of Board Workshops and several interviews with various stakeholders, a total of 11 possible “Visions” for Metropolitan’s future were presented to the Board. Additional follow-up interviews and workshops narrowed the focus to four possible strategic directions of how Metropolitan might conduct business:

- Status Quo – Metropolitan will not change its resources and infrastructure development processes and the manner in which it recovers costs from the member agencies.
- Regional Provider – Metropolitan is responsible for future supplies and development of infrastructure to convey, store, distribute, and treat imported water. Metropolitan acts as a regional resources coordinator. The cost of services provided by Metropolitan will be unbundled to create linkages between costs and benefits, improve water management price signals, and provide member agencies with choice and responsibility.
- Contractor - Member agencies would voluntarily contract for services (supply, conveyance, distribution, treatment, and power). New supplies and infrastructure are developed only if member agencies amend their contracts to recover the cost of additional investments.
- Shareholder – Each member agency will be allocated shares in the Metropolitan system. The shares will entitle the member agency to a level of service and will also obligate the agency to pay an amount of fixed system cost.

These strategic directions were developed into “concept models” and distributed to the Board and member agencies for review. This process led to the Board’s adoption of a “regional provider” approach on December 14, 1999 and the endorsement of the Strategic Plan Policy Principles.

Immediately following the Board’s action to pursue a regional provider approach, the Board requested that any interested parties submit detailed proposals for a rate structure that would support a regional provider approach and the Strategic Plan policy principles.

In February 2000, in response to this request, the San Diego County Water Authority, MWD Directors Swan and Owen, Azurix (a private sector water company), and 25 member agency managers presented four proposals to the Board. The proposals are on file with the Metropolitan Board’s Executive Secretary. The Board further debated the proposals in March 2000 at which time MWD staff was directed to combine the common elements and strengths of the four proposals into a single rate structure framework

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3.2 Composite Rate Structure Framework

In April 2000, the Board approved the composite rate structure framework (Framework) consistent with the strategic Plan Policy Principles. The Framework is composed of the common elements and strengths taken from the four alternative framework proposals submitted to the Metropolitan in February. Metropolitan received rate design proposals from the following interested parties:

The major components of the Framework are described below.

Regional Approach. In keeping with a regional approach, rates and charges are applied on a uniform basis (postage stamp) across the service area and are not broken down into separate geographic areas within the service area. This approach recognizes that in the past the member agencies have collectively invested in resources and infrastructure, including major conveyance and distribution facilities, in an effort to capture economies of scale, treat each member agency equally and provide comparable service reliability to each member agency.

Supply Contracts. The Composite Framework relied on a long-term, take or pay contractual arrangement for supplies between Metropolitan and the member agencies. Supply contracts would reduce Metropolitan's reliance on variable commodity revenues and would provide member agencies greater certainty with respect to the allocation of supply.

Two-Tier Pricing Structure. The Framework used a tiered pricing approach with the supply contracts defining the first tier and an "exchange pool" defining the second tier. All services with the exception of supply were priced the same in both tiers (e.g. the cost of conveyance and distribution is the same for a unit of contract water and a unit of exchange pool water). The tiered pricing assumes four basic goals:

- No member agency will be placed in a position of significant economic disadvantage.
- Member agencies will have equal access to Metropolitan's supplies according to need (WSDM Plan)
- Pricing should balance the financial risks and stability between Metropolitan and the member agencies.
- Tier 1 prices should be lower than Tier 2.

Needs Based Allocation of Supply (WSDM Plan). In the event of a shortage, the Framework relies on the use of a needs based supply allocation for Tier 2 water. Specifically, the Composite Framework advocates the use of the WSDM allocation formula developed in cooperation with the member agencies as part of the WSDM Plan.

Use of Market Mechanisms. The Framework will be responsive to market mechanisms. In particular, the Framework provides for the accounting of transactions between willing parties that want to develop additional imported water supplies, invest in additional local resources, and increase or decrease their Metropolitan contract supplies.

Uniform System Access Rate and Other Charges for Conveyance and Distribution. A uniform system access rate recovers the cost of providing capacity to deliver water on an

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annual average basis. The remaining capacity accommodates deliveries to meet peak and future demands and the associated costs would be recovered through other charges, such as the readiness-to-serve charge, peaking surcharge, growth charge, additional tax from SWP authorization, and/or others.

Uniform Water Stewardship Rate. A uniform water stewardship rate will be charged to each acre-foot of water conveyed and distributed by Metropolitan and recover the cost of supporting conservation and the development of local resources.

System Power Rate. The variable cost of power would be recovered by a volumetric (\$/af) charge. Wheeling parties have the choice of paying for their own power supply or to pay Metropolitan for the actual cost of providing power.

Uniform Treatment Surcharge. A uniform treatment surcharge recovers the costs of treating water at all five of Metropolitan's plants.

Interruptible Service Agreements. Interruptible service agreements would provide the service needs of both groundwater replenishment and agricultural customers. The cost of interruptible service should provide like services for like rates and reflect the value of the interruptible service to the region.

Charges for New System Users. The Composite Framework would allocate some cost of system capacity to new users.

New Facility Investments. A new decision-making process for investments in facilities would be established in order to ensure fiscal accountability and financial commitment for these investments. In addition, the process would promote a collaborative planning effort between Metropolitan and member agencies in the development of water projects.

Reserves. The Framework will develop a reserve system governed by appropriate minimum and maximum reserve levels to ensure that an unacceptable amount of risk is not transferred to the member agencies and retail purveyors.

Following the Board's adoption of the Framework, staff, worked with Board members, member agency technical staff, and cost of service and rate design experts to develop a detailed rate design consistent with the Framework. As the detailed rate design was applied to the Framework staff made several presentations to the Subcommittee on Rate Structure Implementation (Subcommittee). The Subcommittee was formed following the Board's adoption of the Framework to oversee the final development of the rate design and its implementation. The Subcommittee was also tasked with addressing issues that arose during implementation.

3.3 Detailed Rate Design Process

Five basic steps were followed to develop the detailed rate design.

Develop cost of service process and model. A detailed cost of service study (Study) was originally prepared in fiscal year 1998/99, in anticipation of the Strategic Plan rate design effort. This Study established a detailed cost of service process used to sort Metropolitan's

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costs into the services it provides to the member agencies and to further classify these service function costs by the type of system use they are incurred for. The cost of service model was regularly updated to support the rate design process throughout the entire effort. The results and methodology of the Study were presented to member agency technical staff and the Board. The initial Study was reviewed by cost of service experts from other major water utilities in a peer review exercise to ensure that the cost of service process adhered to reasonable industry standards for allocating costs. The peer review exercise concluded that, "In general, the cost of service approach detailed in the RFC Report is based on traditional water industry methods to determine the cost of water service with some minor modifications."

Develop preliminary detailed rate design. A preliminary detailed rate design that conformed to the Framework was developed. Detailed spreadsheet models that demonstrated the potential impacts of the new rate structure on each member agency, as well as the cost of service process that supported the proposed rates and charges, were distributed to all member agencies for review in February of 2001.

Solicit input on the rate design. The detailed rate design was presented to the Subcommittee, member agency managers, city councils and commissions, and groups of member agency customers. Comments and questions from these meetings helped to further refine the rate design. During the review of the preliminary design by the member agencies and Board members, several issues were identified. These issues included:

- The influence of pricing on efficient resource management
- Water transfer market structural considerations
- Customer equity
- The complexity of the preliminary design and practical implementation problems
- The transfer of risk to the member agencies

Modify rate design. Input received from member agency technical staff and Board members was used to improve and simplify the rate design. A core group of member agency managers worked to address the above issues by modifying the preliminary rate design to reduce the transfer of risk to the member agencies, minimize the initial financial impact of the new rate structure and simplify its design to ease its implementation and administration.

Expert opinion and advice. Throughout the rate design process staff received input from experts in the areas of utility cost of service and rate design, regulatory economics, and open access tariffs (wheeling) to ensure that the rate design was reasonable and within the bounds of generally-accepted rate setting practices.

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4 Cost of Service

Prior to discussing the specific rates and charges that make up the new rate structure, it is important to understand the cost of service process that supports the rates and charges. The purpose of the cost of service process is to: 1) identify which costs should be recovered through rates and charges; 2) organize Metropolitan's costs into service functions; and 3) classify service function costs on the basis for which the cost was incurred. The purpose of sorting Metropolitan's costs in a manner that reflects the type of service provided (e.g. supply vs. conveyance), the characteristics of the cost (e.g. fixed or variable) and the reason why the cost was incurred (e.g. to meet peak or average demand) is to create logical cost of service "building blocks. The building blocks can then be arranged to design rates and charges and create a rate structure that: (1) encourages the efficient management of water resources; (2) establishes a reasonable nexus between costs and benefits.

4.1 Cost of Service Process

The general cost of service process involves the four basic steps outlined below.

Step 1 - Development Of Revenue Requirements

In the revenue requirement step, the costs that Metropolitan must recover through rates and charges, after consideration of revenue offsets, are identified. The cash needs approach, an accepted industry practice for government owned utilities, has historically been used in identifying Metropolitan's revenue requirements and was applied for the purposes of this rate design. Under the cash needs approach, revenue requirements include budgeted operating costs and annual requirements for meeting financed capital items (debt service, pay-as-you-go capital, etc.).

Step 2 – Identification of Service Function Costs

In the functional allocation step, revenue requirements are allocated to different categories based on the operational functions served by each cost. The functional categories are identified in such a way as to allow the development of logical allocation bases. The functional categories used in the cost of service process include:

- Supply
- Conveyance and Aqueduct
- Storage
- Treatment
- Distribution
- Demand Management
- Administrative and General
- Hydroelectric

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In order to permit functional allocation at the level of accuracy required, many of these functional categories are subdivided into more detailed sub-functions in the cost of service process. For example, costs for the Supply and Conveyance and Aqueduct functions are further subdivided into the sub-functions State Water Project (SWP), Colorado River Aqueduct (CRA), and Other. Similarly, costs in the Storage function are broken down into the sub-functions Emergency Storage, Drought Carryover Storage, and Regulatory Storage. With the exception of treated water service costs, Metropolitan has not included functional allocation as part of past rate setting practices.

Step 3 - Classification Of Costs

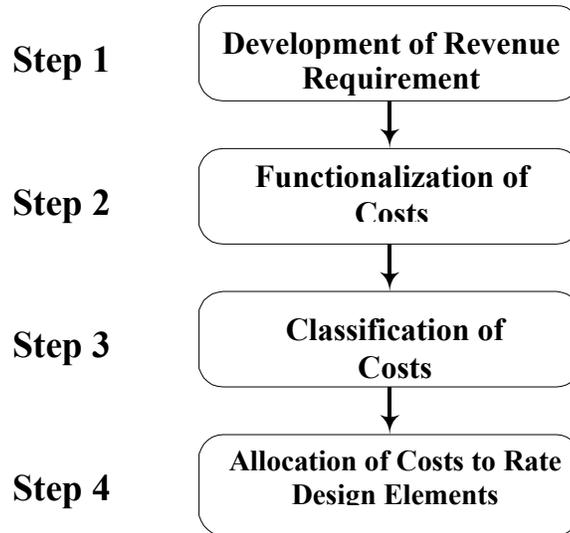
In the cost classification step, functionalized costs are separated into categories according to their causes and behavioral characteristics. Proper cost classification is critical in developing a rate structure that recovers costs in a manner consistent with the causes and behaviors of those costs. Under American Water Works Association (AWWA) guidelines, cost classification may be done using either the Base/Extra-Capacity approach or the Demand/Commodity approach. In the simplest sense, these approaches offer alternative means of distinguishing between utility costs incurred to meet average or base demands and costs incurred to meet peak demands. The demand/commodity approach was modified for its application to Metropolitan's rate structure by adding a separate cost classification for costs related to providing standby service. Analysis of system operating data indicated that a modified Demand/Commodity approach was the most appropriate for developing Metropolitan's cost of service classification bases.

Step 4 - Allocation Of Costs To Rate Design Elements

The allocation of costs to the rate design elements depends on the purpose for which the cost was incurred and the manner in which the member agencies use the Metropolitan system. For example, costs incurred to meet average system demands (commonly referred to as base costs under the Base/Extra Capacity method of cost classification) are typically recovered by \$ per acre-foot rates and are therefore allocated based on the volume of water purchased by each agency. Rates that are levied on the amount or volume of water delivered are commonly referred to as volumetric rates as the customer's costs vary with the volume of water purchased. Costs incurred to meet peak demands (referred to in this report as demand costs) are recovered through a peaking (demand) charge (the Capacity Reservation Charge and Peaking Surcharge) and are allocated to agencies based on their peak demand behavior. Costs incurred to provide standby service in the event of an emergency are referred to here as standby costs. Differentiating between costs for average usage and peak usage is just one example of how the cost of service process allows for the design of rates and charges that improves overall customer equity and efficiency. Figure 4 summarizes the cost of service process.

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Figure 4. The Cost of Service Process



4.2 Revenue Requirements

The estimated revenue requirements presented in this report are for fiscal year 2002/03. Throughout the report, fiscal year 2002/03 is used as the “test year” to demonstrate the application of the cost of service process. Schedule 1 summarizes the fiscal year 2002/03 revenue requirement by the major budget line items commonly referred to in Metropolitan's budgeting process. Current estimates indicate Metropolitan’s annual cash expenditures (including capital financing costs but not construction outlays financed with bond proceeds) will total approximately \$1,083.4 million in fiscal year 2002/03.

The rates and charges do not have to cover this entire amount. Metropolitan generates a significant amount of revenue from interest income, hydroelectric power sales and miscellaneous income. These internally generated revenues are referred to as revenue offsets and are expected to generate about \$73 million in fiscal year 2002/03. It is expected that Metropolitan will also generate about \$101 million in ad valorem property tax revenues. Property tax revenues are used to pay for a portion of Metropolitan's obligation under the State Water Contract and general obligation bond debt service. In addition to the internally generated funds there is an offset for an amount of pay-as-you-go (PAYG) capital financing funded from prior period revenues. This amount is \$50.1 million and is treated as an offset because it is being funded from reserve balances and should therefore not be included in the revenue requirement. The total revenue offsets for fiscal year 2002/03 are estimated to be \$224.1 million. Therefore, the revenue required from rates and charges is the difference between the total costs and the revenue offsets, or \$859.2 million. However, in order to maintain the same total rate level as the current rate structure, approximately \$14 million in reserves will be used to fund a portion of the revenue requirement. Therefore, the rates and

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charges recommended in this report will generate a total of \$845 million in fiscal year 2002/03.

All of Metropolitan's costs fall under the broad categories of Departmental Costs or General District Requirements. Departmental Costs include budgeted items identified with specific organizational groups within the Metropolitan system. General District Requirements primarily consist of requirements associated with the Colorado River Aqueduct (CRA), State Water Project (SWP), the capital financing costs associated with the Capital Investment Program (CIP), and Water Management Programs. General District Requirements also include reserve fund transfers required by bond covenants and Metropolitan's Administrative Code.

When considered in total, General District Requirements make up approximately 68.3 percent of the absolute value of the allocated costs. Metropolitan's capital financing program is the largest single component of revenue requirement, constituting approximately 29.4 percent of the revenue requirement. The second largest component of the revenue requirement relates to SWP expenditures, which make up approximately 26.2 percent of Metropolitan's fiscal year 2002/03 revenue requirements. Metropolitan's SWP contract requires Metropolitan to pay a proportionate share of the capital, minimum operations, maintenance, power and replacement costs incurred to develop and convey its water supply entitlement, irrespective of the quantity of water Metropolitan takes delivery of in any given year. SWP power charges incurred by Metropolitan are based on energy costs associated with actual water deliveries.

Departmental O&M costs make up 15.0 percent of the total revenue requirement in fiscal year 2002/03. Water System Operations is the largest single component of the Departmental Costs and accounts for 7.2% of the revenue requirements. Water System Operations responsibilities include operations and maintenance of Metropolitan's pumping, storage, treatment, and hydroelectric facilities, as well as operation and maintenance of the Colorado River Aqueduct and other conveyance and supply facilities.

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Schedule 1 Revenue Requirements (by budget line item)

	Estimated for FY 2003	% of Revenue Requirements ¹
Departmental Operations & Maintenance		
Office of the General Manager	\$ 4,367,632	0.3%
Outreach	11,470,900	0.9%
Water Systems Operations	94,713,974	7.2%
Chief Financial Officer	7,573,799	0.6%
Corporate Resources	58,751,653	4.5%
Water Resource Management	12,506,100	1.0%
General Counsel	6,198,873	0.5%
<u>Audit Department</u>	956,282	0.1%
Total Departmental O&M	196,539,212	15.0%
General District Requirements		
State Water Project	342,086,639	26.2%
Colorado River Aqueduct	58,788,610	4.5%
Deposit to Water Transfer Fund	45,000,000	3.4%
Water Management Programs	41,116,787	3.1%
Capital Financing Program	384,418,145	29.4%
Water Quality Exchange and Transfers	0	0.0%
Operating Equipment and Leases	18,674,283	1.4%
<u>Increase (Decrease) in Required Reserves</u>	(3,278,425)	0.3%
Total General District Requirements	886,806,040	68.3%
Revenue Offsets	(224,133,477)	17.1%
Net Revenue Requirements	\$ 859,211,775	100.0%

(1) Given as a percentage of the absolute values of total dollars.

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4.3 Service Function Costs

Several major service functions result in the delivery of water to Metropolitan's member agencies. These include the source of supply itself, the conveyance capacity and energy used to move water to Southern California, the storage of water, distribution of supplies within Southern California and, for some users, treatment of these supplies. Metropolitan's current rate structure recovers the majority of the cost of providing these distinct service functions, with the exception of treatment, through a bundled water rate.

The functional categories developed for Metropolitan's cost of service process are consistent with the American Water Works Association (AWWA) rate setting guidelines, a standard chart of accounts for utilities developed by the National Association of Regulatory Commissioners (NARUC), and the National Council of Governmental Accounting. Because all water utilities are not identical, the proposed rate design considers Metropolitan's unique physical, financial, and institutional characteristics.

A key goal of functional allocation is to maximize the degree to which rates and charges reflect the costs of providing different types of service. For functional allocation to be of maximum benefit, two criteria must be kept in mind when establishing functional categories.

- The categories should correlate charges for different types of service with the costs of providing those different types of service; and
- Each function should include reasonable allocation bases by which costs may be allocated.

Each of the functions developed for the cost of service process is described below.

- *Supply.* This function includes costs for those SWP and CRA facilities and programs that relate to maintaining and developing supplies to meet the member agencies demands. For example, Metropolitan's supply related costs include investments in Phase I of the Conservation Agreement with the Imperial Irrigation District and will include investments in the off-aqueduct storage and transfers included in the California 4.4 Plan to maintain full CRA deliveries. The SWP Delta Water Charge is included as a cost of supply along with the cost of storage and transfer programs such as Semitropic Water Storage Program, Arvin-Edison Water Storage Program and the North Las Posas Groundwater Basin Conjunctive Use Agreement.
- *Conveyance and Aqueduct.* This function includes the capital, operations, maintenance, and overhead costs for SWP and CRA facilities that convey water Metropolitan's internal distribution system. Variable power costs for the SWP and CRA are also considered to be Conveyance and Aqueduct costs but are separately reported under a "power" sub-function. Conveyance and Aqueduct facilities can be distinguished from Metropolitan's other facilities primarily by the fact that they do not typically include direct connections to the member agencies. For purposes of this study, the Inland Feeder Project functions as an extension of the SWP East Branch and is therefore considered a Conveyance and

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Aqueduct facility as well. Conveyance and Aqueduct costs have been identified separately from Source of Supply costs to allow a more detailed level of analysis to be performed during the evaluation of rate design alternatives.

- *Storage.* Storage costs make up a significant portion of Metropolitan's costs and include the capital financing, operating, maintenance, and overhead costs for Diamond Valley Lake, Lake Mathews, Lake Skinner, and five smaller regulatory reservoirs within the distribution system. Metropolitan's larger storage facilities will be operated to provide 1) emergency storage in the event of an earthquake or similar system outage; 2) drought storage that produces additional supplies during times of shortage; and (3) regulatory storage to balance system demands and supplies and provide for operating flexibility. To reasonably allocate the costs of storage capacity among member agencies, the storage service function is categorized into sub-functions of emergency, drought, and regulatory storage. The costs of reservoirs on the State Water Project are included in Metropolitan's State Water Contract costs.
- *Treatment.* This function includes the costs for Metropolitan's five treatment plants and must be considered separately from all other costs so that treated water service may be priced separately.
- *Distribution.* This function includes capital, operating, maintenance, and overhead costs for the "in-basin" feeders, canals, pipelines, laterals, and other appurtenant works. The "in-basin" facilities are distinguished from Conveyance and Aqueduct facilities at the point of connection to the SWP, the terminal reservoir¹ of the CRA, Lake Mathews, and other major turnouts along the CRA facilities.
- *Demand Management.* A separate demand management service function has been added to the cost of service process to clearly identify the cost of regional investments in local resources like conservation and recycling.
- *Administrative and General (A&G).* These costs occur in each of the Groups departmental budgets and reflect overhead costs that cannot be directly functionalized. The cost of service process currently allocates A&G costs to the service functions based on the total amount of non-A&G dollars allocated to each function.
- *Hydroelectric.* Hydroelectric costs include the capital financing, operating, maintenance, and overhead costs incurred to operate the 16 small hydroelectric plants located throughout the water distribution system.

¹ A terminal reservoir is designed and operated to provide both regulatory and non-regulatory storage at the termination point of a conveyance system or facility. In effect, a terminal reservoir increases total system conveyance capacity by improving the system's ability to accommodate peak demand flows.

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4.3.1 Functional Allocation Bases

The functional allocation bases are used to allocate a cost to the various service functions. The primary functional allocation bases used in the cost of service process are listed below.

- Direct Assignment
- Work-In-Process or Net Book Value Plus Work-In-Process
- Pro-Rating In Proportion To Other Allocations
- Manager Analysis

Schedule 2 summarizes the amounts of total cost allocated using each of the above types of allocation bases.

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Schedule 2 Summary of Functional Allocations by Type of Allocation Basis

Primary Functional Allocation Bases	Estimated for FY 2003	% of Allocated Dollars
Direct Assignment	\$ 537,703,849	41.1%
Work in Process/Net Book Value	466,402,511	35.7%
Pro-Rating	263,406,153	20.1%
Manager Analysis	39,966,215	3.1%
Total Dollars Allocated	\$ 1,307,478,729	100.0%
Portion of Above Allocations Relating to:		
Revenue Requirements before Offsets	1,083,345,252	
<u>Revenue Offsets</u>	<u>224,133,477</u>	
Total Dollars Allocated	\$ 1,307,478,729	

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Each of the primary allocation bases is discussed in detail in the remainder of this section. Discussion of each allocation basis includes examples of costs allocated using that particular basis. A line-by-line schedule of revenue requirement functional allocations is presented in the Appendix 1 to this report.

a) Direct assignment

Direct assignment makes use of a clear and direct connection between a revenue requirement and the function being served by that revenue requirement. Directly assigned costs typically include: costs associated with specific treatment plants; purely administrative costs; and certain distribution and conveyance departmental costs. Examples of revenue requirements that are directly assigned to specific functional categories are given below.

- Water System Operations Group departmental costs for treatment plants are directly assigned to treatment.
- Transmission charges for State Water Contract are directly assigned to conveyance SWP.

b) Work-In-Progress; Net Book Value Plus Work-In-Progress

Debt service and capital costs comprise almost 30% of Metropolitan's annual revenue requirements. One approach would be to allocate payments on each debt issue in direct proportion to specific project expenditures made using bond proceeds. However, such an approach would require a complex bond funding analysis and result in a high degree of volatility in relative capital cost allocations from year to year. A preferable approach, and one widely used in water industry cost of service studies, is to allocate capital and debt-related costs based on the relative net book values of fixed assets within each functional category. This approach produces capital cost allocations that are consistent with the functional distribution of assets, and maintains an acceptable level of stability from year to year (because assets depreciate at uniform rates, changes in annual net book value between functions are relatively stable). Also, since the allocation basis is tied to fixed asset records rather than debt payment records, the resulting allocations are more reflective of the true useful lives of assets. Use of net book values as an allocation basis therefore provides an improved matching of functional costs with asset lives. A listing of fixed asset net book values summarized by asset function is shown in Schedule 3.

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Schedule 3 Net Book Value and Work in Progress Allocation Base

Functional Categories	NBV for FY 2003	% of Total NBV
Source of Supply	\$ 69,853,669	1.3%
Conveyance & Aqueduct	563,975,892	10.8%
Storage	2,091,379,801	40.1%
Treatment	840,329,212	16.1%
Distribution	1,348,719,168	25.9%
Demand Management	0	0.0%
Administrative & General	158,995,291	3.1%
Hydro-electric	139,707,338	2.7%
Total Fixed Assets Net Book Value:	\$ 5,212,960,371	100.0%

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In most instances, the cost of service process uses net book value *plus* work-in-process to develop allocation bases for debt and capital costs. For organizational units handling current construction activity, however, allocations are based on work-in-progress alone. For these organizational units, exclusion of net book value from the allocation basis is done because the costs being allocated relate directly to work in progress not yet reflected in the completed assets records.

Examples of revenue requirements allocated using these net book value and work-in-progress allocations are shown below.

- General Obligation and Revenue Bond Debt Service: *allocated using Work In Progress plus Net Book Value.*
- PAYG: *allocated using Work In Progress plus Net Book Value.*

To calculate the relative percentage of fixed assets in each functional category Metropolitan staff conducted a detailed analysis of historical accounting records and built a database of fixed asset accounts that contains records for all facilities currently in service and under construction. Each facility was sorted into the major service function that best represented the facilities primary purpose and was then further categorized into the appropriate sub-functions described earlier.

c) Pro-rating in proportion to other allocations

Utility cost of service studies frequently contain line items for which it would be difficult to identify an allocation basis specific to that line item. In these cases, the most logical allocation basis is often a pro-rata blend of allocation results calculated for other revenue requirements in the same departmental group, or general category. Reasonable pro-rata allocations are based on a logical nexus between a cost and the purpose which it serves. For example:

- Water System Operations Group Manager are allocated using all other WSO costs since the Group Manager spends time overseeing Group.
- Corporate Resources Group Human Resources Section costs are allocated using all labor costs since Human resources spends its time and resources attending to the labor force.

d) Manager analyses

The functional interrelationships of some organizational units are so complex and/or dynamic that reliable allocation bases can only be developed with extensive input from the organizational unit's managers. In these cases, managers use their first-hand knowledge of the organizational units' internal operations to generate a functional analysis of departmental costs. Examples of revenue requirements allocated based on

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manager analyses are:

- Water System Operations Group: Water Quality Monitoring Section

A summary of the functional allocation results is shown in Schedules 4 and 5. Schedule 4 provides a breakdown of the revenue requirement for fiscal year 2002/03 into the major service functions and sub-functions prior to the re-distribution of administrative and general costs. Schedule 5 serves as a cross-reference summarizing how the budget line items are distributed among the service functions. The largest functional component of Metropolitan's revenue requirement is the Conveyance and Aqueduct function, which constitutes approximately 39.2% of the allocated revenue requirement.

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Schedule 4 Revenue Requirement (by service function)

Service Function	Estimated for FY 2003	% of Allocated Dollars¹
Source of Supply		
CRA	\$1,415,186	0.2%
SWP	48,497,263	5.4%
Other Supply	50,227,573	5.6%
Subtotal: Source of Supply	100,140,022	11.1%
Conveyance & Aqueduct		
CRA		
<i>CRA Power</i>	59,703,595	6.6%
<i>CRA All Other</i>	21,276,945	2.4%
SWP		
<i>SWP Power</i>	107,141,647	11.9%
<i>SWP All Other</i>	126,687,634	14.1%
Other Conveyance & Aqueduct	37,538,328	4.2%
Subtotal: Conveyance & Aqueduct	352,348,149	39.2%
Storage		
<i>Emergency</i>	57,463,562	6.4%
<i>Drought</i>	47,091,711	5.2%
<i>Regulatory</i>	11,888,702	1.3%
Storage Power	(6,510,415)	0.7%
Subtotal: Storage	109,933,560	13.7%
Treatment	102,361,899	11.4%
Distribution	106,809,431	11.9%
Customer Related	42,008,473	4.7%
Administrative & General	58,990,493	6.6%
Hydro-electric	(13,380,251)	1.5%
Total Functional Allocations:	\$ 859,211,775	100%

(1) Given as a percentage of the absolute values of total dollars allocated.

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Schedule 5 Service Function Revenue Requirements (by budget line item)

FY 2003	Source of Supply	Conveyance & Aqueduct	Storage	Treatment	Distribution	Demand Management	Administrative & General	Hydro-Electric	Total \$ Allocated
Departmental Operations & Maintenance									
Office of the General Manager	\$ 197,411	\$ 447,941	\$ 230,347	\$ 970,106	\$ 748,520	\$ 40,218	\$ 1,705,438	\$ 27,651	\$ 4,367,632
External Affairs						0	11,470,900		11,470,900
Water Systems Operations	1,427,857	14,981,320	1,644,317	45,925,141	29,839,140	0	0	896,199	94,713,974
Chief Financial Officer						0	7,573,799		7,573,799
Corporate Resources	1,566,063	5,851,445	8,785,680	10,384,617	10,160,528	255,461	21,088,505	659,355	58,751,653
Water Resource Management	6,846,733	1,595,519	235,206	246,615	728,289	2,015,100	838,638		12,506,100
General Counsel							6,198,873		6,198,873
Audit Department							956,282		956,282
Total Departmental O&M	10,038,064	22,876,226	10,895,549	57,526,479	41,476,476	2,310,779	49,832,433	1,583,206	196,539,212
State Water Project	46,351,137	291,864,589	3,870,913	0	0	0	0	0	342,086,639
Colorado River Aqueduct	0	58,788,610	0	0	0	0	0	0	58,788,610
Net Deposit to Water Transfer Fund	45,000,000	0	0	0	0	0	0	0	45,000,000
Water Management Programs	0	0	0	0	0	41,116,787	0	0	41,116,787
Capital Financing Program	4,105,184	50,113,217	128,431,923	62,121,972	123,191,740	0	8,877,877	7,576,233	384,418,145
Operating Equipment and Leases	998,763	3,686,897	2,251,823	3,923,664	3,338,668	143,477	4,168,817	162,175	18,674,283
Increase (Decrease) in Required Reserves	(343,221)	(1,915,716)	(89,878)	(350,143)	(252,453)	(14,065)	(303,312)	(9,636)	(3,278,425)
Total General District Requirements	96,111,862	402,537,597	134,464,780	65,695,493	126,277,956	41,246,199	12,743,381	7,728,771	886,806,040
Revenue Offsets	(6,009,904)	(73,065,675)	(35,426,769)	(20,860,073)	(60,945,001)	(1,548,506)	(3,585,322)	(22,692,228)	(224,133,477)
Net Revenue Requirements	\$ 100,140,022	\$ 352,348,149	\$ 109,933,560	\$ 102,361,899	\$ 106,809,431	\$ 42,008,473	\$ 58,990,493	\$ (13,380,251)	\$ 859,211,775

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4.4 Classified Costs

In the cost classification step, functionalized costs are further categorized based on the causes and behavioral characteristics of these costs. An important part of the classification process is identifying which costs are incurred to meet average demands vs. peak demands and which costs are incurred to provide standby service. As with the functional allocation process, the proposed classification process is consistent with AWWA guidelines, but has been tailored to meet Metropolitan's specific operational structure and service environment.

In the cost of service process, cost classification is done using a hybrid of two methods discussed in the AWWA M1 Manual, Principles of Water Rates, Fees and Charges. These two methods are the Demand/Commodity method and the Base/Extra Capacity method.

The Commodity/Demand method allocates costs that vary with the amount of water produced to the commodity category with all other costs associated with water production allocated to the demand category. In the Base/Extra Capacity method costs related to average demand conditions are allocated to the base category and capacity costs associated with meeting above average demand conditions are allocated to the extra capacity category.

The approach used to classify Metropolitan's costs differs from the Base/Extra Capacity method by the fact that costs are separated into a variable category and a fixed category. The Base/Capacity method does not separate these costs into two categories but rather combines them into one category referred to as base costs. The approach used to classify Metropolitan's costs differs from the Commodity/Demand method in the fact that demand costs are separated into fixed commodity and fixed demand costs. The Commodity/Demand method would not make this distinction but would combine these costs into the demand category. By using the hybrid method, costs are actually disaggregated to a lower level of detail giving greater flexibility when considering various rate structure alternatives and competing pricing objectives.

Under the hybrid classification method, functional cost categories are reallocated into demand, commodity, or standby categories, which are discussed below. Classification of costs into these categories depends on an analysis of system capacity as well as actual system operating data.

Classification categories used in the proposed cost of service process include:

- Fixed demand costs
- Fixed commodity costs
- Fixed standby costs
- Variable commodity costs
- Hydroelectric costs

Demand costs are incurred to meet peak demands. Only the direct capital costs were included in the demand classification category. A portion of capital costs was included in the

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demand cost category because in order to meet peak demands additional physical capacity is designed into the system and therefore additional capital costs are incurred. Operations and maintenance costs were not included in the demand category because regardless of the level of demand, Metropolitan incurs the same level of operations and maintenance costs.

Commodity costs are generally associated with average system demands. Variable commodity costs include costs of chemicals, most power costs, and other cost components that increase or decrease in relation to the volume of water supplied. Fixed commodity costs include fixed operations and maintenance and capital costs that are not related to accommodating peak demands or standby service.

Standby service costs relate to Metropolitan's role in ensuring system reliability during emergencies such as an earthquake or an outage of a major facility like the Colorado River Aqueduct. The two principal components of the standby costs were identified as the emergency storage capacity within the system and the standby capacity within the State Water Project conveyance system.

An additional component used in Metropolitan's cost classification process is the hydroelectric component. While not a part of most water utilities' cost classification procedures, the hydroelectric classification component is necessary to segregate revenue requirements carried from the hydroelectric function established in the functional allocation process. Hydroelectric revenue requirements are later embedded in the distribution function. Any net revenues generated by the hydroelectric operations therefore reduce the System Access Rate and benefit all system users in proportion to the amount of water they convey through the system. Metropolitan's hydroelectric facilities generate a net amount of revenue that offsets the distribution costs that are recovered by the delivery of water to the member agencies. All users of the distribution system benefit proportionately from the revenue offset provided by the sale of hydroelectric energy.

Schedule 6 provides the classification percentages used to distribute the service function costs into demand, commodity and standby service classification categories. All of the supply costs are classified as fixed commodity costs. Because these particular supply costs have been incurred to provide an amount of annual reliable system yield and not to provide peak demand delivery capability or standby service they are reasonably treated as fixed commodity costs.

Costs for the Conveyance and Aqueduct (C&A) service function are classified into demand, commodity, and standby categories. Because the capital costs for C&A were incurred to meet all three classification categories, an analysis of C&A capacity usage for the ten years ending June 30, 2000 was used to determine that 55 percent of the available conveyance capacity has been used to meet member agency demands on an average annual basis. A system peak factor² of 1.5 was applied to the average annual usage to determine that an additional 27 percent of available capacity is used to meet peak monthly deliveries to the member agencies. The remaining 18 percent of available C&A capacity is used to meet system operational storage needs, provide for standby service, and is available to serve new

² Peak monthly deliveries to the member agencies average about 50% more than the average monthly deliveries.

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users as demand for imported water grows. The same classification percentages are applied to the CRA, SWP, and Other (Inland Feeder) Conveyance and Aqueduct sub-functions. The classification shares reflect the system average use of conveyance capacity and not the usage of individual facilities. All of the Conveyance and Aqueduct energy costs for pumping water to Southern California are classified as variable commodity costs and, therefore, are not shown in Schedule 6 because they carry right through the classification step.

Storage service function costs for emergency, drought and regulatory storage are also distributed to the classification categories based on the type of service provided. Emergency storage costs are classified as 100 percent standby related. Emergency storage is a prime example of a cost Metropolitan incurs to ensure the reliability of deliveries to the member agencies. In effect, through the emergency storage capacity in the system, Metropolitan is “standing-by” to provide service in the event of a catastrophe such as a major earthquake that disrupts regional conveyance capacity for an extended period of time. Drought carryover storage serves to provide reliable supplies by carrying over surplus supplies from periods of above normal precipitation and snow pack to drought periods when supplies decrease. Drought storage creates supply and is one component of the portfolio of resources that result in a reliable amount of annual system supplies. As a result, drought storage is classified as a fixed commodity cost, just as Metropolitan’s supply costs are. The regulatory storage within the Metropolitan system provides operational flexibility in meeting peak demands and flow requirements, essentially increasing the physical distribution capacity. Therefore, regulatory storage is classified in the same manner as distribution costs.

Distribution service function costs were classified using daily flow data of deliveries to the member agencies for the ten years ending June 30, 2000. During this period, average flows of deliveries to the member agencies used 45 percent of the peak non-coincident³ flow of all the member agencies. The difference between the average flow and peak flow is defined as “net peak flow,” which accounts for 55 percent of the use of the distribution capacity. Although the Metropolitan distribution system has a great deal of operational flexibility the total amount of capacity was limited to the systems total conveyance capacity (about 3.2 million acre-feet per year). Total peak flows consumed all of this capacity and therefore no distribution costs are allocated to the standby classification. This relatively simple approach to classifying costs is adequate for Metropolitan's rate setting objective of maintaining uniform pricing throughout the service area.

As presented in Schedule 6, treatment service function costs were also classified using daily flow data of deliveries to the member agencies for the ten years ending June 30, 2000. The only difference from the approach described above for distribution capacity is that only treated water flows were used. Schedule 7 summarizes the service function revenue requirements by classification category. Administrative and general costs have been allocated

³ The term “non-coincident” means that the peak flow for each agency may or may not coincide with the peak system flow during this period. Both non-coincident and coincident approaches to measuring peak demands are used in rate design approaches. The choice between using a non-coincident or coincident approach depends largely on how to “fit” the rate design to the demand profiles of the utility’s customers to best achieve the rate design objectives. A non-coincident approach is used in the rate design to capture the different operating characteristics of the member agencies and send a strong pricing signal to all member agencies.

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to the classification categories by service function based on the ratio of classified non-A&G service function costs to total non-A&G service function costs.

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Schedule 6 Classification Percentages

Service Function	Classification Percentages				Total % Classified	Comments
	Fixed			Variable Commodity 1		
	Demand	Commodity	Standby			
Source of Supply						
Colorado River Aqueduct	0%	100%			100%	Recovered by supply rates therefore classified as commodity
State Water Project	0%	100%			100%	Recovered by supply rates therefore classified as commodity
Conveyance & Aqueduct						
Colorado River Aqueduct	27%	55%	18%		100%	Demand (peaking) percentage represents application of system monthly peak factor of 1.5 to average monthly flow. Commodity percentage represents average flows. Remainder of capacity is for standby and expected growth in system demands. SWP and CRA are treated the same due to application of system wide uniform price.
State Water Project	27%	55%	18%		100%	
Other	27%	55%	18%		100%	
Storage						
Emergency			100%		100%	Standby service (recovered by RTS)
Drought		100%			100%	Recovered by supply rates therefore classified as commodity
Regulatory	55%	45%	0%		100%	See disitribution (below)
Treatment	56%	41%	3%		100%	Demand percentage represents amount of system treatment capacity used to meet peak day flows in excess of average. Commodity percentage represents amount of capacity used to meet average flows. Standby percenage is estimated as remaining total capacity. The same classification is applied to all five treatment plants due to the use of a uniform system wide treatment surcharge.
Distribution	55%	45%	0%		100%	Demand percentage represents amount of system distribution capacity used to meet peak day flows in excess of average. Commodity percentage represents amount of capacity used to meet average flows. Standby percentage is estimated as remaining total system capacity. The same classification is applied to all distribution facilities due to the use of a system wide uniform system access rate.

(1) Variable commodity costs such as SWP and CRA power costs and variable treatment costs are directly classified to "variable commodity" and so are not included in this schedule.

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A summary of cost classification results is shown in Schedule 7. The classification of the service function costs results in about 7 percent, \$62.4 million of the total revenue requirements, being allocated to the demand classification category. This amount represents a reasonable estimate of the annual fixed capital financing costs incurred to meet peak demands (plus the proportional amount of administrative and general costs allocated on the basis of total costs). A portion of Metropolitan's property tax revenue is allocated to C&A fixed demand costs and offsets the amount that is recovered through rates. The taxes are used to pay for the general obligation bond debt service allocated to the C&A costs.

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Schedule 7 Service Function Revenue Requirements (by classification category)

Service Function Revenue Requirements (by sub-function)	Classification Categories					Total Classifications
	Fixed			Variable Commodity	Hydro-Electric	
	Demand	Commodity	Standby			
Supply						
CRA	\$ -	\$ 1,505,618	\$ -	\$ -	\$ -	\$ 1,505,618
SWP	-	51,596,309	-	-	-	51,596,309
Other Supply	-	53,437,188	-	-	-	53,437,188
Subtotal: Source of Supply	-	106,539,115	-	-	-	106,539,115
Conveyance & Aqueduct						
CRA						
<i>CRA Power</i>	-	3,333,227	-	60,067,068	-	63,400,295
<i>CRA All Other</i>	1,382,903	20,184,452	1,213,270	-	-	22,780,626
SWP	-	-	-	-	-	-
<i>SWP Power</i>	-	2,016,322	-	111,751,468	-	113,767,791
<i>SWP All Other</i>	-	134,783,158	-	-	-	134,783,158
Other Conveyance & Aqueduct	9,606,108	24,356,907	6,941,733	-	-	40,904,749
Subtotal: Conveyance & Aqueduct	10,989,012	184,674,067	8,155,003	171,818,536	-	375,636,618
Storage						
Storage Costs Other Than Power						
<i>Emergency</i>	-	-	62,522,772	-	-	62,522,772
<i>Drought</i>	-	50,100,939	-	-	-	50,100,939
<i>Regulatory</i>	6,466,444	6,729,679	-	-	-	13,196,124
Storage Power	-	(6,926,440)	-	-	-	(6,926,440)
Subtotal: Storage	6,466,444	49,904,179	62,522,772	-	-	118,893,395
Treatment	24,208,458	72,157,159	-	14,559,135	-	110,924,752
Distribution	20,749,436	94,642,778	-	-	-	115,392,213
Demand Management	-	44,692,875	-	-	-	44,692,875
Hydro-Electric	-	-	-	-	(12,867,194)	(12,867,194)
Total Costs Classified	\$ 62,413,350	\$ 552,610,174	\$ 70,677,775	\$ 186,377,671	\$ (12,867,194)	\$ 859,211,775

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About 63 percent of the revenue requirements (\$552.6 million) are classified as “fixed commodity”. These fixed capital and operating costs are incurred by Metropolitan to meet annual average service needs and are typically recovered by a combination of fixed charges and volumetric rates. Fixed capital cost classified to the “Standby” category total \$70.7 million and account for 8 percent of the revenue requirements. Standby service costs are commonly recovered by a fixed charge allocated based on a reasonable representation of a customer's need for standby service. The variable commodity costs for power on the conveyance and aqueduct systems, and power, chemicals and sludge disposal at the treatment plants change with the amount of water delivered to the member agencies. These costs are classified as variable commodity costs and total about \$186.4 million and account for about 22 percent of the total revenue requirement. Because of the variable nature of these costs, it is appropriate to recover them through volumetric rates.

Once the third step of the cost of service process is complete it is possible to move ahead with the rate design and develop rates and charges to recover the different cost elements. Appendix 1 includes supporting schedules that provide additional detail on the cost of service process.

5 Rate Design

Consistent with the Composite Rate Structure Framework developed during the Strategic Planning process, the rate design uses a tiered pricing approach and unbundles Metropolitan's water rate, providing transparency to encourage investments in local resources and conservation and to accommodate a water transfer market. A Purchase Order establishes a financial commitment from the member agency to Metropolitan, improving Metropolitan's financial integrity. Additionally, fixed charges are implemented to provide a better nexus between standby and peaking costs and benefits.

The following rate design elements make up the rate structure:

- System access rate – recovers cost of non-peak conveyance and distribution capacity through a uniform volumetric rate. All users pay the same for access to the system.
- Water stewardship rate – recovers the cost of water management programs through a uniform volumetric rate levied on each acre-foot of water that moves through the Metropolitan system.
- System power rate – recovers the cost of power used to convey water to Metropolitan's service area through a uniform volumetric rate charged to Metropolitan's member agencies .
- Treatment surcharge – recovers the majority of the cost of providing treated water service including peak and standby related costs through a uniform volumetric rate.

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- Capacity reservation charge and peaking surcharge– recovers the cost of providing distribution capacity to meet peak system demands. Each agency pays this fixed charge in proportion to requested maximum day capacity (amount of Metropolitan system capacity a member agency needs to meet maximum day demands). Agencies that exceed their requested maximum daily capacity between May 1 and September 30 will incur the Peaking Surcharge.
- Readiness-to-serve charge – recovers the cost of providing standby service through a fixed charge allocated on the basis of each agency’s relative share of a ten-year rolling average of firm system demands, including water transfers and exchanges.
- Tier 1 Supply Rate - recovers all supply costs not recovered by the Tier 2 Supply Rate and long-term seasonal storage service water rate and interim agricultural water program water rate.
- Tier 2 Supply Rate - set at Metropolitan's cost of developing water supply and providing an appropriate price incentive to develop cost-effective conservation and local water resources. Revenue generated by the Tier 2 Supply Rate will fluctuate from year to year as demand changes. In wet years when the demand for imported water is low the Tier 2 Supply Rate will generate very little revenue. However, as demands increase during dry periods the Tier 2 Supply Rate will generate a more significant amount of revenue.
- Long-term seasonal storage service water rate - this rate exists in Metropolitan's current rate structure and it will continue as part of the new rate structure.
- Interim agricultural water program water rate - this rate exists in Metropolitan's current rate structure and will continue as part of the new rate structure.

5.1 Summary

The rate design elements form a comprehensive rate structure that provides a financial basis for supporting the Board policy objectives, and provides for appropriate resource management price signals. The rate design addresses the Board’s policy objectives while maintaining enough flexibility to adjust should the desired results not be achieved. The Board, under the authority granted by the current Metropolitan Water District Act has the responsibility to set rates and charges. As a result, the Board retains sufficient flexibility to alter the design of any of the elements if they fail to achieve Metropolitan's objectives.

The rate elements recover the same amount of revenue as under the current water rates. The rate structure simply breaks out services to provide greater transparency and improved resource management price signals. Each element serves an important purpose by addressing one or more policy issues facing Metropolitan. Furthermore, at the discretion of the individual member agencies, many of the basic elements can be combined into bundled water

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rates at the retail level. It is important to first understand each rate structure element in terms of the policy objective(s) it addresses, the costs it recovers and the benefits it provides.

Schedule 8 provides a cross-reference between the classified service function costs and their allocation to the rate design elements. The specifics of each rate design element are discussed in detail in the following section. Schedule 9 summarizes the rate design in terms of the recommended rates and charges to be effective January 1, 2003. Average costs by member agency will vary depending upon an agency's RTS allocation, requested capacity amount and relative proportions of Tier 1, Tier 2 and surplus water purchases.

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Schedule 8 Classified Service Function Revenue Requirement (by rate design element)

FY 2003	Total Classified Service Function Costs	Rate Design Elements							Total Costs Allocated
		Supply Rates	System Access Rate	Water Stewardship Rate	System Power Rate	Capacity Reservation Charge	Readiness-to-Serve Charge	Treatment Surcharge	
Classified Service Function Revenue Requirement									
Supply									
Fixed Demand	\$ -								\$ -
Fixed Commodity	106,539,115	106,539,115							106,539,115
Fixed Standby	-								-
Variable Commodity	-								-
Hydroelectric	-								-
Subtotal: Supply	106,539,115	106,539,115	-	-	-	-	-	-	106,539,115
Conveyance and Aqueduct									
Fixed Demand	10,989,012						10,989,012		10,989,012
Fixed Commodity	184,674,067		184,674,067						184,674,067
Fixed Standby	8,155,003						8,155,003		8,155,003
Variable Commodity	171,818,536				171,818,536				171,818,536
Hydroelectric	-								-
Subtotal: Conveyance and Aqueduct	375,636,618	-	184,674,067	-	171,818,536	-	19,144,015	-	375,636,618
Storage									
Fixed Demand	6,466,444					6,466,444			6,466,444
Fixed Commodity	49,904,179	43,174,500	6,729,679						49,904,179
Fixed Standby	62,522,772						62,522,772		62,522,772
Variable Commodity	-								-
Hydroelectric	-								-
Subtotal: Storage	118,893,395	43,174,500	6,729,679	-	-	6,466,444	62,522,772	-	118,893,395
Treatment									
Fixed Demand	24,208,458						24,208,458		24,208,458
Fixed Commodity	72,157,159						72,157,159		72,157,159
Fixed Standby	-								-
Variable Commodity	14,559,135						14,559,135		14,559,135
Hydroelectric	-								-
Subtotal: Treatment	110,924,752	-	-	-	-	-	-	110,924,752	110,924,752
Distribution									
Fixed Demand	20,749,436					20,749,436			20,749,436
Fixed Commodity	94,642,778		94,642,778						94,642,778
Fixed Standby	-								-
Variable Commodity	-								-
Hydroelectric	(12,867,194)		(12,867,194)						(12,867,194)
Subtotal: Distribution	102,525,019	-	81,775,584	-	-	20,749,436	-	-	102,525,019
Demand Management									
Fixed Demand	-								-
Fixed Commodity	44,692,875			44,692,875					44,692,875
Fixed Standby	-								-
Variable Commodity	-								-
Hydroelectric	-								-
Subtotal: Demand Management	44,692,875	-	-	44,692,875	-	-	-	-	44,692,875
Total									
Fixed Demand	62,413,350	-	-	-	-	27,215,880	10,989,012	24,208,458	62,413,350
Fixed Commodity	552,610,174	149,713,615	286,046,524	44,692,875	-	-	-	72,157,159	552,610,174
Fixed Standby	70,677,775	-	-	-	-	-	70,677,775	-	70,677,775
Variable Commodity	186,377,671	-	-	-	171,818,536	-	-	14,559,135	186,377,671
Hydroelectric	(12,867,194)	-	(12,867,194)	-	-	-	-	-	(12,867,194)
Total	\$ 859,211,775	\$ 149,713,615	\$ 273,179,331	\$ 44,692,875	\$ 171,818,536	\$ 27,215,880	\$ 81,666,786	\$ 110,924,752	\$ 859,211,775

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Schedule 9 Rate Design Summary

	Effective January 1, 2003
Tier 1 Supply Rate (\$/af)	\$73
Tier 2 Supply Rate (\$/af)	\$154
System Access Rate (\$/af)	\$141
System Power Rate (\$/af)	\$89
Water Stewardship Rate (\$/af)	\$23
Long-term Storage Water Rate (\$/af)	\$233
Interim Agricultural Water Program (\$/af)	\$236
Treatment Surcharge (\$/af full-service)	\$82
Readiness-to-Serve Charge (\$millions)	\$80.0
Capacity Reservation Charge (\$/cfs)	\$6,100
Peaking Surcharge (\$/cfs)	\$18,300

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5.2 System Access Rate

5.2.1 Description

The system access rate (SAR) is a volumetric⁴ system wide rate levied on each acre-foot of water that moves through the MWD system. All system users (member agency or third party) will pay the SAR to use Metropolitan's conveyance and distribution system. The SAR is recommended to be \$141 per acre-foot in fiscal year 2002/03 based on test year sales of about 2.0 million acre-feet. The SAR recovers the cost of providing conveyance and distribution capacity to meet average annual demands. Current estimates indicate that the SAR revenue requirement will be about \$273 million in fiscal year 2002/03, 32 percent of the total revenue requirement. Of the total costs recovered by the SAR, conveyance and aqueduct costs account for \$185 million (68 percent of the total SAR), and distribution costs make up the remaining \$89 million (32 percent). The SAR will be set on an annual basis by the Board under its existing authority to levy rates and charges.

5.2.2 Benefits

The SAR benefits include: (1) support of a regional approach; (2) accommodates a water transfer market that does not unfairly advantage one user over another; (3) provides a clear linkage between costs and benefits; and (4) establishes a simple approach to recovering the costs of conveyance service.

The SAR supports a regional approach through the uniform, postage stamp rate. This region-wide funding mechanism helps ensure economies of scale and low costs for all of Metropolitan's member agencies.

The SAR is a cost-based rate. By providing a non-discriminatory rate to all parties that wish to use available system capacity to move water anywhere in the MWD service area, the uniform SAR creates the opportunity for a fair and efficient water transfer market to develop. In keeping with the spirit of a regional provider approach, the SAR is uniform throughout the service area. Member agencies that purchase supply from Metropolitan will pay the exact same cost for access to the system as a customer that purchases supply from another supply source.

Metropolitan must charge member agencies that purchase supply from Metropolitan the same costs for system access as it charges a third party. Charging all users the same price for access to essential facilities is a basic principle of regulatory economics. The SAR provides a clear linkage between costs and benefits. The cost of service process clearly identifies the costs that are recovered by the SAR. The service function revenue requirements for conveyance and aqueduct and distribution are identified and then classified into commodity

⁴ A volumetric rate is a charge applied to the actual amount of water delivered. Costs paid through volumetric rates therefore vary with the amount of water purchased.

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(average use), demand (peak use), and standby (emergency and future growth) related costs. Only commodity related costs are allocated to the SAR. Therefore, the SAR only pays for as available conveyance service.

The SAR is an easily understood approach. Like the current water rates, the SAR is a uniform, volumetric per acre-foot rate and is straightforward for both Metropolitan and the member agencies to implement and administer.

5.3 Water Stewardship Rate

5.3.1 Description

The water stewardship rate (WSR) recovers the costs of providing financial incentives for existing and future investments in local resources including conservation and recycled water. These investments or incentive payments are identified as the “demand management” service function in the cost of service process. Demand management costs are classified as 100 percent fixed commodity costs and are estimated to be about \$45 million in fiscal year 2002/03, 5 percent of the revenue requirement. The WSR is a volumetric rate levied on each acre-foot of water that moves through the Metropolitan system. All system users (member agency or third parties) will pay the same proportional costs for existing and future conservation and recycling investments made by MWD. The WSR is recommended to be \$23 per acre-foot in fiscal year 2002/03. The WSR will be set on an annual basis by the Board under its existing authority to levy rates and charges.

5.3.2 Benefits

The WSR provides significant benefits including (1) support of a regional approach, and (2) providing a dedicated source of funding for the development of local resources.

Investments in conservation and recycling decrease the region’s overall dependence on imported water supplies from environmentally sensitive areas like the Bay-Delta; increase the overall level of water supply reliability in Southern California; reduce and defer system capacity expansion costs; and create available capacity to be used to complete water transfers. Because conservation measures and local resource investments reduce the overall level of dependence on the imported water system, more capacity is available in existing facilities for a longer period of time. The capacity made available by conservation and recycling is open to all system users and can be used to complete water transfers. Similar to public benefit charges in the electric industry, the regional and statewide benefits of demand management programs are assessed to all users of the Metropolitan system, regardless of the source of imported water supply.

By providing a dedicated source of funding for demand management the Board will be able to maintain and, as necessary, increase funding levels for demand management programs. The benefits of demand management programs are recognized by S.B. 60, which requires

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Metropolitan to increase its investments in conservation, watershed management, and other local resources. Because Metropolitan is mandated under S.B. 60 to fund water supply programs like conservation and recycling it is appropriate to recover the costs of supporting these programs on all water moved through the system.

5.4 System Power Rate

5.4.1 Description

The System Power Rate (SPR) is a volumetric rate that is designed to recover the commodity costs of pumping water to Southern California. Like the current water rates the SPR recovers the average cost of power for both the SWP and CRA. In fiscal year 2002/03 the revenue requirement for the SPR is estimated to be about \$172 million, 20 percent of the total revenue requirement. The recommended SPR is \$89 per acre-foot. The SPR will be set on an annual basis by the Board under its existing authority to levy rates and charges.

5.4.2 Benefits

The primary benefit of the SPR is that it clearly identifies Metropolitan's average cost of power.

5.5 Treatment Surcharge

5.5.1 Description

The treatment surcharge is a system-wide volumetric rate set to recover the cost of providing treated water service. It is recommended that the current level of \$82 per acre-foot be maintained in fiscal year 2002/03. The treatment surcharge revenue requirement is expected to be about \$111 million in fiscal year 2002/03, 13 percent of the total revenue requirement. The treatment surcharge recovers all costs associated with providing treated water service, including commodity, demand and standby related costs. There will be no change in the way that treatment costs are recovered to reduce the initial impact of implementing the new rate structure on the member agencies. Long-term seasonal storage service and agricultural program deliveries made through the existing long-term seasonal storage service programs and interim agricultural water program may be interrupted due to emergency situations and will not be charged for peak and standby treated water costs. The treatment surcharge for these services is therefore recommended to remain at the current level of \$57 and \$58 per acre-foot respectively. The treatment surcharge will be set annually by the Board under its existing authority to levy rates and charges.

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5.5.2 Benefits

There are three primary benefits provided by the treatment surcharge. First, only treated water users pay for the costs of treatment. Second, by averaging the costs of providing treated water service over the entire system the regional economies of scale are preserved. Third, it is a simple uniform volumetric rate that the member agencies currently pay. As a result no implementation or administrative changes need to be made.

5.6 Capacity Reservation Charge/Peaking Surcharge

5.6.1 Description

The cost of service process identifies demand costs (costs related to system capacity that stands by to meet peak demands) for the conveyance and aqueduct, distribution, and treatment service functions. Peak demand is typically demand that is associated with maximum day and maximum week conditions. The proposed capacity reservation charge has been designed to recover the demand costs for the distribution function. To recognize peaking impacts, on the system, distribution peaking costs are excluded from the SAR. These costs are estimated to be \$27 million, 3 percent of the revenue requirement in fiscal year 2002/03. To simplify the rate design by reducing the number of separate charges, demand costs for the conveyance service function are recovered by the RTS, and demand costs for treatment are recovered by the treatment surcharge. Over time the member agency peak demand patterns will be analyzed to determine the effectiveness of the Capacity Reservation Charge in encouraging member agencies to reduce their peak day demands on the system and to continue to shift demands from the summer period into the winter months.

The Capacity Reservation Charge is a fixed charge levied on a member agency's requested maximum day capacity. Agencies with actual flows that exceed the requested maximum daily flow will incur the Peaking Surcharge. A member agency that uses any capacity during the period May 1 through September 30 will pay a fixed charge on that capacity if the member agency had identified that it would use that amount of capacity and will pay the Peaking Surcharge on any amount of capacity used in excess of that identified. The charge is intended to create an incentive for local agencies to decrease their use of the Metropolitan system to meet peak day demands and to shift demands into lower use time periods particularly October through April. An agency that reduces its use of the system to meet peak day demands can avoid the Peaking Surcharge and can reduce the fixed costs that it incurs through the Capacity Reservation Charge. For example, an agency that has the ability to shift all of its May through September demands into the October through April period can avoid the Peaking Surcharge and the Capacity Reservation Charge.

The Capacity Reservation Charge is not calculated as a per acre-foot charge. The capacity reservation charge is a charge per cubic foot second (cfs) and is applied to the amount of capacity (maximum daily flow measured in cfs) a member agency expects to use during the

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May through September period. The member agency rather than Metropolitan will identify the amount of capacity it pays for under this charge. The Capacity Reservation Charge will be levied on each member agency based on an amount of maximum daily flow that each agency requests. Each agency will pay a fixed charge equivalent to a "per cfs rate" times the maximum daily flow of the agency. For the five years ending June 30, 2000 the peak non-coincident daily system flow was about 4,445 cfs. Based on analysis of daily flow data, and to account for unusual operating conditions during this period exceptions were made for the City of Los Angeles and the City of San Fernando and the maximum daily flow for this period was not used. At this rate of total flow the Capacity Reservation Charge is \$6,100/cfs which is the recommended charge for fiscal year 2002/03.

To provide a simple and predictable charge, the charge is applied to the full amount of the reserved capacity. Because only the peak related costs are allocated to the Capacity Reservation Charge and these costs are not recovered anywhere else, there is no "double charge" using this approach. This simple approach is commonly used by other utilities to recover demand-related costs.

The requested maximum day capacity is a total for each member agency and is not specific to each Metropolitan connection serving the agency. This approach allows member agencies that are wholesale providers, greater flexibility to work with their customers to minimize the total capacity reservation charge paid by the member agency. It also ensures that agencies with multiple connections installed for purposes of system redundancy and reliability are not penalized for good planning. Metropolitan can, however, levy the charge by connection if requested to do so by a member agency. For purposes of billing the Capacity Reservation and Peaking Surcharge, flow rates will include water transfers, exchanges and Interim Agricultural Water Program deliveries and exclude Long-term Seasonal Storage service.

To make this type of a charge work most effectively there must be a significant incentive for agencies to not exceed their maximum daily flow rate. Therefore, a volumetric Peaking Surcharge of three times the capacity reservation charge will be levied on the amount of flow measured above the maximum daily flow rate chosen by the agency. Although the cost Peaking Surcharge is three times the Capacity Reservation Charge it is substantially less than Metropolitan's cost for adding the next increment of distribution capacity⁵.

This Peaking Surcharge will be in effect during the peak season months of May through September when demands are their highest. Member agencies that exceed their maximum daily flow rate during the off-peak season months of October through April will not incur the Peaking Surcharge. Because the Peaking Surcharge is an extension of the annual cost allocated to the Capacity Reservation Charge it will only be levied on the maximum amount of flow that exceeds the requested capacity amount. For example, if a member agency exceeds its requested capacity amount by 10 cfs and 15 cfs on two separate days the Peaking

⁵ The cost of adding the next increment of system distribution capacity (600 cubic feet per second) is about \$300 million in current dollars. Even when amortized over 30 years at an interest rate of 6 percent per year this cost results in a rate of over \$37,000 per cubic foot second.

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Surcharge will only be levied on the 15 cfs occurrence and not on the 10 cfs occurrence. The Peaking Surcharge is recommended to be \$18,300 per cubic foot second for fiscal year 2002/03.

The May through September period coincides with Metropolitan's existing seasonal shift program. This same period was chosen as the effective period for the Peaking Surcharge to reduce the number of operational changes that the member agencies may have to make to work with the Capacity Reservation and Peaking Surcharge.

This combination of a fixed charge for capacity reservation and a volumetric Peaking Surcharge for flows in excess of the reserved capacity provides both an incentive to reduce peak day demands on the Metropolitan system and to shift demands into the winter months. Over the long-term, revenues generated from the Peaking Surcharge will be used to offset the revenue requirement related to distribution. However, as a transitional measure Peaking Surcharge revenues generated through fiscal year 2004/05 will be reserved in a fund and held in the name of the member agency that incurred the Peaking Surcharge. These funds may be accessed by the member agency to develop local capacity that will help the member agency avoid the Peaking Surcharge in the future.

Actual member agency operating data will be closely monitored to track the performance of these charges and identify any potential unintended consequences. Schedule 10 provides an estimate of each agency's Capacity Reservation Charge. Schedule 10 assumes the agencies select an amount of maximum daily flow equivalent to the peak daily flow placed on the system (excluding long-term seasonal storage service) during the five years ending June 30, 2000 (with the exception of Los Angeles and San Fernando) and that no agency exceeds its maximum daily flow and incurs the Peaking Surcharge. Figure 4 illustrates the basic concept of the Capacity Reservation Charge and the Peaking Surcharge. Figure 5 expands on this concept by illustrating the basic incentive that agencies have to shift demands from the May 1 to September 30 period into the October 1 to April 30 period.

In evaluating the prevalence of a Capacity Reservation Charge or Peaking Surcharge for Metropolitan, Raftelis Financial Consulting conducted a survey of major water utilities providing wholesale water service in the United States. Of the 72 utilities surveyed, 35 had some form of similar charge. For 16 of the utilities the charge was based on actual or potential demand of the wholesale customer. For the remaining 19, the charge was based on the potential demand of the water meter installed to serve the wholesale customer. Eight of the surveyed utilities base their charge on peak demand similar to the approach proposed for Metropolitan.

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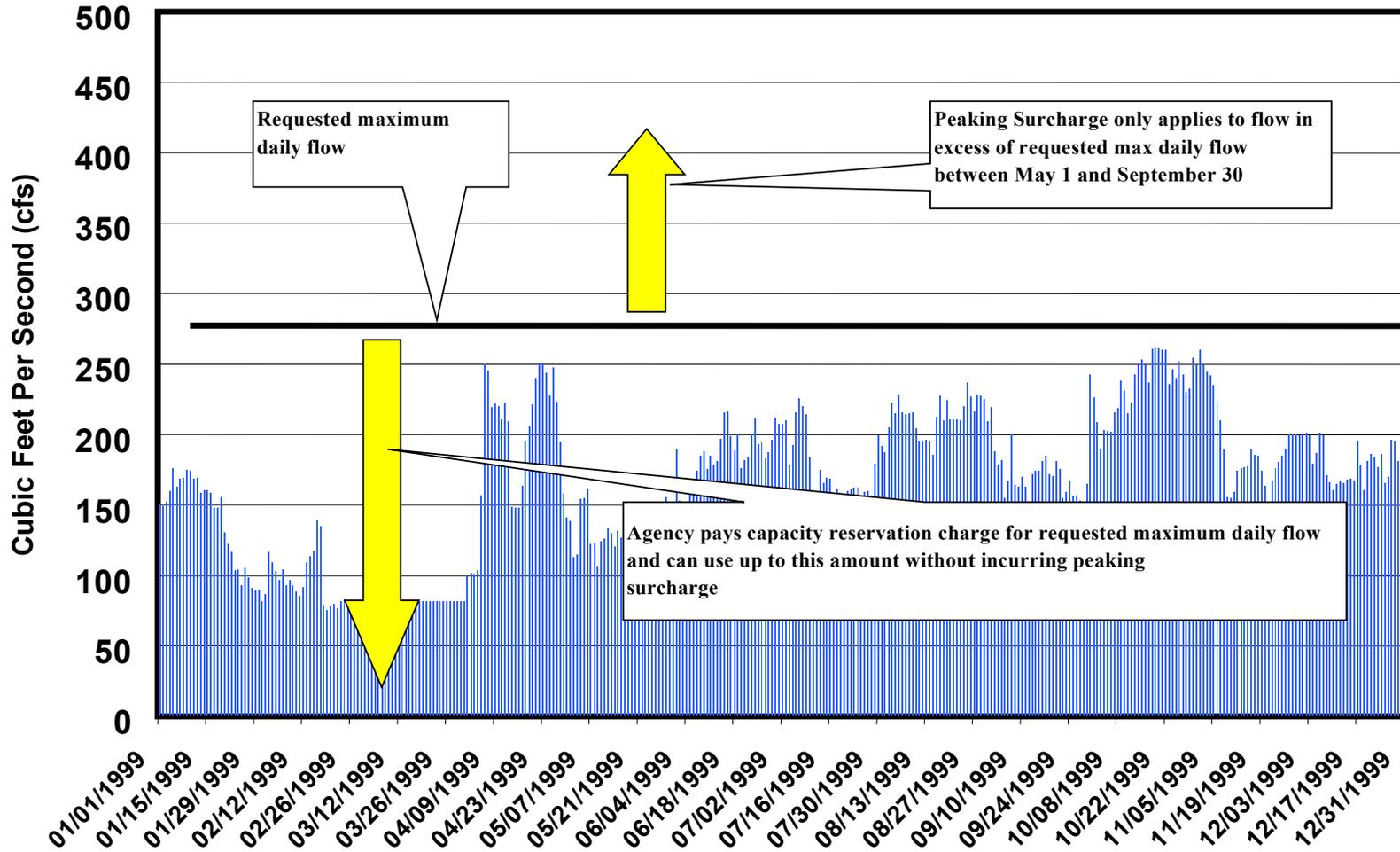
Schedule 10 Example: Capacity Reservation Charge by Member Agency

	Maximum Daily Flow Rate (cfs)*	Capacity Reservation Charge at \$6100 per cfs
Anaheim	68.4	\$ 417,215
Beverly Hills	35.0	213,655
Burbank	56.0	341,713
Calleguas	282.0	1,719,929
Central Basin	146.7	894,771
Compton	12.0	73,256
Eastern	187.5	1,144,032
Foothill	25.1	153,375
Fullerton	31.2	190,484
Glendale	63.9	389,595
Inland Empire	146.7	894,716
Las Virgenes	46.3	282,645
Long Beach	101.2	617,139
Los Angeles	600.0	3,660,000
MWDOC	595.4	3,632,205
Pasadena	58.3	355,826
San Diego	1,120.3	6,833,920
San Fernando	1.0	6,100
San Marino	6.2	37,751
Santa Ana	38.6	235,418
Santa Monica	27.7	168,753
Three Valleys	181.9	1,109,593
Torrance	47.7	291,155
Upper San Gabriel	29.5	179,774
West Basin	274.1	1,672,312
Western	262.6	1,601,749
Total	4,445	\$ 27,117,082

* Based on max day demands for the five years ending June 30 2000, excluding long-term storage demands. Los Angeles and San Fernando based on MWD staff estimate.

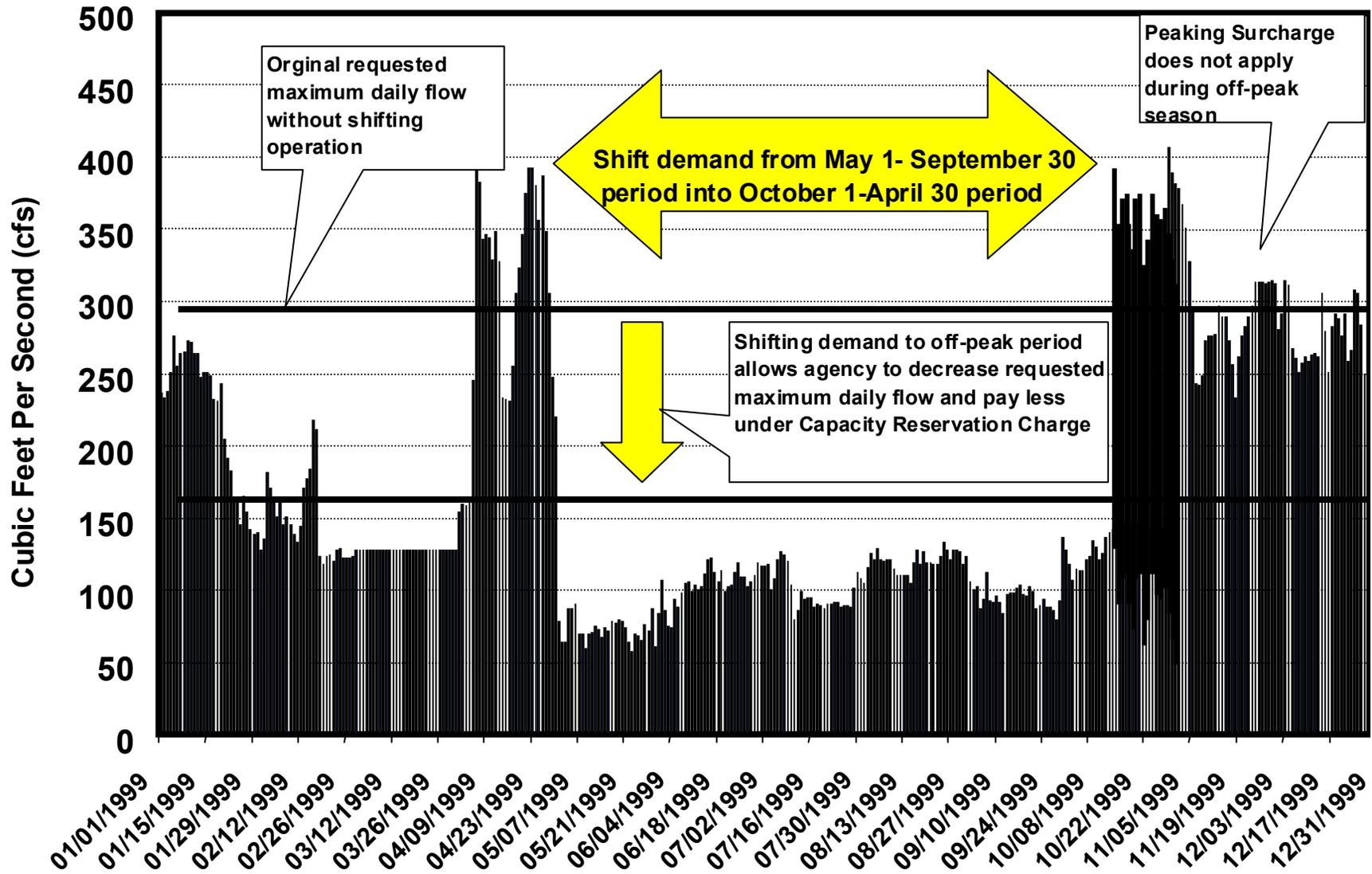
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Figure 4. Example: Capacity Reservation and Peaking Surcharge



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Figure 5. Example: Capacity Reservation and Peaking Surcharge



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5.6.2 Benefits

The Capacity Reservation Charge provides several benefits including: (1) increasing the overall efficiency of water use; (2) improving the fair allocation of costs among member agencies based upon the demand imposed by each agency; and (3) providing a source of fixed revenue.

The Capacity Reservation Charge will improve the overall efficiency of water use by encouraging local agencies to invest in cost effective local storage and resources to avoid using the Metropolitan system to meet peak day demands. In addition, significant regional savings can be realized through the deferral of expensive capacity expansion. Metropolitan currently experiences, on a system wide basis, maximum daily demands that are over twice its daily average demand.

To determine the potential benefit the capacity reservation charge might have, the change in the timing of capacity expansion costs due to an 8 percent reduction in daily peak factors was determined. Not surprisingly, the lower peak demand patterns would allow Metropolitan to defer capacity expansion. The present value of construction costs expected to be incurred between now and fiscal year 2019/20 could be reduced by as much as \$500 million.

The Capacity Reservation Charge and Peaking Surcharge also improve the equitable distribution of costs among the member agencies. The existing rate structure recovers demand related costs through the volumetric water rate and, as a result, allocates costs incurred to meet peak demands to agencies that may base-load their demands on the system and not use much peak capacity. Under the new rate structure agencies that have relatively high peak to average ratios will now bear a greater share of the costs of providing peak distribution capacity. The Capacity Reservation Charge will also increase the portion of Metropolitan's fixed costs that are recovered by fixed charges.

5.7 Readiness-to-Serve Charge

5.7.1 Description

The readiness-to-serve charge (RTS) will remain as an element of the rate design. The costs recovered by the RTS are largely Metropolitan's costs for providing standby service as identified by the cost of service process. Metropolitan's cost for providing emergency storage capacity within the system are estimated to be about \$62.5 million in fiscal year 2002/03 (see Schedule 7). In addition, to simplify the rate design by reducing the number of separate charges, the demand and standby related costs identified for the conveyance and aqueduct service function are also allocated to the RTS. These costs are estimated to be about \$19.1 million in fiscal year 2002/03. Currently the RTS recovers \$80 million, an amount that represents a portion of the capital financing costs for facilities that serve existing users. As justified by the cost of service process, the costs recovered by the proposed RTS will initially

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remain at the level of \$80 million in fiscal year 2002/03, about 9 percent of the revenue requirement.

The RTS will be allocated to the member agencies based on each agency's proportional share of a ten-fiscal-year rolling average of firm deliveries (including water transfers and exchanges that use Metropolitan system capacity). The ten-year rolling average will not include long-term seasonal storage service and interim agricultural deliveries because these deliveries will be the first to be curtailed in the event of an emergency. Currently each agency's share of system demands for the three years ending June 30, 1996 is used to allocate the charge. A ten-fiscal-year rolling average is a simple approach that leads to a relatively stable RTS allocation that reasonably represents an agency's potential long-term need for standby service under different demand conditions. Member agencies that so choose may continue to have a portion of their total RTS obligation offset by standby charge collections levied by Metropolitan on behalf of the member agency. Schedule 12 provides an estimate of each agencies total RTS obligation for fiscal year 2002/03. Because the recommended rates and charges will become effective on January 1, 2003, the member agency will continue to be billed for its RTS obligation using the current allocation base of the demands for the three years ending June 30, 1996 for the first six months of fiscal year 2002/03.

5.7.2 Benefits

The proposed RTS provides two major benefits. These include: (1) a better matching of costs and benefits; and (2) a system access rate that recovers only those costs associated with as available service.

The proposed RTS matches costs and benefits in two general ways. First, the RTS will recover the amount of standby-related costs identified in the cost of service process that is not paid for by ad valorem property tax revenues. Second, the proposed RTS allocates the standby costs among the member agencies in a manner that better represents each agency's potential need for standby service. Per the rate refinement recommendations, the current RTS is allocated among the agencies based on a proportional share of the firm system demands for the three years ending June 30, 1996. As member agency demands change, the current allocation will become less representative of each member agency's potential need for standby service over time. In addition, the current allocation does not capture any effect of high system demands caused by occasional hot and dry weather. The proposed RTS resolves these problems by using a ten-year rolling average of demands. A long-term rolling average is a simple and reasonable representation of an agency's potential need for standby service under different demand conditions.

Because standby and peak related costs for conveyance and aqueduct service will be recovered by the proposed RTS, the system access rate for as available service does not recover standby and peak related costs. A wheeling party that uses system capacity on an as

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available basis will not pay for standby or peak conveyance costs through the System Access Rate. Thus any argument that wheeling party is paying for “unused” capacity is mooted.

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Schedule 11 Readiness-to-Serve Charge (by member agency)

Member Agency	Current Rate Structure			New Rate Structure			Total RTS Charge Obligation
	3-Year Average Demands (Acre-Feet) ¹	RTS Share	6 months @ \$80 million per year (7/02-12/02)	Rolling Ten-Year Average Firm Demands (Acre-Feet) ²		6 months @ \$80 million per year (1/03-6/03)	
				Feet ²	RTS Share		
Anaheim	18,709	1.24%	\$ 494,708	16,740	1.09%	\$ 436,321	\$ 931,029
Beverly Hills	12,941	0.86%	342,189	13,163	0.86%	343,103	685,292
Burbank	16,523	1.09%	436,905	14,708	0.96%	383,366	820,271
Calleguas MWD	87,849	5.81%	2,322,926	91,345	5.95%	2,380,917	4,703,843
Central Basin MWD	69,047	4.56%	1,825,759	73,661	4.80%	1,919,982	3,745,741
Compton	3,725	0.25%	98,497	4,051	0.26%	105,578	204,075
Eastern MWD	48,240	3.19%	1,275,575	55,412	3.61%	1,444,338	2,719,912
Foothill MWD	7,961	0.53%	210,507	8,926	0.58%	232,652	443,159
Fullerton	7,457	0.49%	197,180	7,879	0.51%	205,369	402,549
Glendale	26,456	1.75%	699,556	26,344	1.72%	686,670	1,386,227
Inland Empire Utilities Agency	34,369	2.27%	908,794	43,233	2.82%	1,126,878	2,035,672
Las Virgenes MWD	18,014	1.19%	476,331	18,681	1.22%	486,920	963,251
Long Beach	42,539	2.81%	1,124,827	41,736	2.72%	1,087,850	2,212,677
Los Angeles	164,220	10.86%	4,342,348	178,632	11.64%	4,656,088	8,998,435
Municipal Water District of Orange County	217,542	14.38%	5,752,302	206,341	13.45%	5,378,334	11,130,636
Pasadena	14,824	0.98%	391,980	17,698	1.15%	461,312	853,292
San Diego County Water Authority	407,484	26.94%	10,774,798	389,077	25.35%	10,141,374	20,916,172
San Fernando	106	0.01%	2,803	221	0.01%	5,757	8,560
San Marino	1,327	0.09%	35,089	1,186	0.08%	30,912	66,001
Santa Ana	12,633	0.84%	334,045	12,626	0.82%	329,097	663,142
Santa Monica	5,008	0.33%	132,423	8,834	0.58%	230,269	362,692
Three Valleys MWD	58,267	3.85%	1,540,711	61,235	3.99%	1,596,106	3,136,817
Torrance	20,311	1.34%	537,069	20,632	1.34%	537,790	1,074,859
Upper San Gabriel Valley MWD	7,163	0.47%	189,406	8,400	0.55%	218,940	408,346
West Basin MWD	153,155	10.12%	4,049,764	171,126	11.15%	4,460,439	8,510,204
Western [®] MWD	56,860	3.76%	1,503,507	42,725	2.78%	1,113,639	2,617,146
MWD Total	1,512,730	100.00%	\$ 40,000,000	1,534,611	100.00%	\$ 40,000,000	\$ 80,000,000

Notes:

[1] Three years ending June 30, 1996.

[2] Firm demands for the ten years ending June 30, 2001. Excludes deliveries purchased at the discounted long-term storage and agricultural rates. Includes water transfers and exchanges.

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5.8 Purchase Order

The rate structure relies on a Purchase Order to establish a financial commitment from the member agency to Metropolitan. In return for providing a financial commitment to Metropolitan the member agency may purchase more of its supply at the lower Tier 1 Supply Rate than had it not provided the commitment.

5.8.1 Description

The Purchase Order is voluntarily submitted by the member agency to Metropolitan. Through the Purchase Order the member agency commits to purchase a fixed amount of supply from Metropolitan (the Purchase Order Commitment). The Purchase Order Commitment is determined as a portion of the member agency's historical demands on the Metropolitan system and the term of the Purchase Order.

Term.

The Purchase Order is for a ten-year term beginning January 1, 2003. Ten years was chosen as a balance between the long-term investments Metropolitan makes to secure water supply (many of the supply development agreements Metropolitan commits to are for 20 years or more) and a shorter period that would require less of a commitment from the member agencies. In addition, a ten-year period will most likely allow sufficient time for high and low demand years to average , reducing the likelihood of paying for unused water.

Initial base demand.

The maximum annual firm demands since fiscal year 1989/90 is used to establish each member agency's "initial base demand." Firm demands through June 30, 2002 will be considered for this purpose. Firm demands are defined as all deliveries through the Metropolitan system to a member agency excluding long-term seasonal storage service, interim agricultural service, deliveries made under the interruptible service program and deliveries made to cooperative and cyclic storage accounts at the time water was put into the accounts.

Purchase Order Commitment.

The Purchase Order Commitment is limited to a portion of a member agency's initial base demand. The Purchase Order Commitment is defined as ten times 60 percent of the member agencies initial base demand. The ten times reflects the ten-year term of the Purchase Order and the 60 percent was chosen to balance among the member agencies.

First there is a substantial fluctuation in demands as a result of weather. During cool, wet weather, member agencies use less Metropolitan supply. As a result, the Purchase Order Commitment was set at a level that would accommodate these annual fluctuations in weather driven demands, while helping to ensure that member agencies would have a reasonable

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opportunity to utilize all of the water during the ten-year Purchase Order term. Second, the 60 percent level was selected in consultation with member agency representatives and represents a sufficient incentive to utilize Metropolitan's supplies and provide a base financial commitment to the regional system. Since the Purchase Order Commitment is voluntary, no member agency is required to commit to the minimum level. But, in exchange for the commitment, the member agency will be able purchase more Metropolitan water supply (up to 90 percent of its Base Demand) at the lower Tier 1 Supply Rate. The Purchase Order Commitment quantities for all member agencies are shown in Schedule 12. These amounts represent the total amount of water a member agency would commit to purchase under the Purchase Order, if it elected to do so.

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Schedule 12 Purchase Order Commitment Quantities

	Initial Base Demand - Max Firm Deliveries FY 1990-2002 (acre-feet)	60 Percent of Initial Base Demand (acre-feet)	90 Percent of Initial Base Demand (acre-feet)	Purchase Order Commitment (acre-feet)
Anaheim	24,711	14,827	22,240	148,266
Beverly Hills	14,867	8,920	13,380	89,202
Burbank	18,152	10,891	16,337	108,912
Calleguas	111,134	66,680	100,021	666,804
Central Basin	80,400	48,240	72,360	482,400
Compton	5,620	3,372	5,058	33,720
Eastern	78,357	47,014	70,521	470,142
Foothill	11,381	6,829	10,243	68,286
Fullerton	12,554	7,532	11,299	75,324
Glendale	29,135	17,481	26,222	174,810
Inland Empire	58,203	34,922	52,383	349,218
Las Virgenes	22,837	13,702	20,553	137,022
Long Beach	43,857	26,314	39,471	263,142
Los Angeles	334,109	200,465	300,698	2,004,654
MWDOC	247,596	148,558	222,836	1,485,576
Pasadena	23,533	14,120	21,180	141,198
San Diego	496,706	298,024	447,035	2,980,236
San Fernando	1,050	630	945	6,300
San Marino	1,998	1,199	1,798	11,988
Santa Ana	13,476	8,086	12,128	80,856
Santa Monica	12,090	7,254	10,881	72,540
Three Valleys	75,050	45,030	67,545	450,300
Torrance	23,297	13,978	20,967	139,782
Upper San Gabriel	13,969	8,381	12,572	83,814
West Basin	174,304	104,582	156,874	1,045,824
Western	65,192	39,115	58,673	391,154
Total	1,993,578	1,196,147	1,794,220	11,961,470

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Changes from original take-or-pay contract concept.

The Purchase Order was crafted as a balance between the current situation where the member agencies are not committed to purchase any amount of supply from Metropolitan and a take-or-pay supply contract arrangement that was part of the Composite Rate Structure Framework and December 2000 Action Plan. Several issues were raised during the preliminary rate design work about the take-or-pay supply contract concept. These included: (1) the transfer of a significant amount of risk to the member agencies; (2) a conflict with the "Regional Provider" Strategic Plan Policy Principle; and (3) the complexity of implementing a take-or-pay contract.

The Purchase Order addresses these issues. First, the Purchase Order limits the amount of risk transferred to the member agencies to 60 percent of a member agency's historical maximum firm demand. This risk is also spread over time to allow high and low demand years to average out. With the Purchase Order the member agency does not have an annual take-or-pay obligation and therefore does not bear the risk of paying for supply that it does not use in a single year. Second, the Purchase Order is not used to allocate system supplies in the event of a shortage. System supplies will be allocated based on Board principles including the Water Surplus and Drought Management Plan (WSDM Plan). Third, the Purchase Order is significantly simpler than implementing a take-or-pay contract..

5.8.2 Benefits

The Purchase Order provides several benefits to both Metropolitan and the member agency.

Financial commitment

The Purchase Orders will commit member agencies to purchase a known block of water from Metropolitan over a ten-year period. Assuming all member agencies submit Purchase Orders, Metropolitan will have a guaranteed sales base of over 11.9 million acre-feet between January 1, 2003 and December 31, 2012.

Pricing

The Purchase Order allows a member agency to purchase an additional 30 percent of its historical maximum annual firm demand at the lower Tier 1 Supply Rate. This additional 30 percent is the difference between the 90 percent limit on Tier 1 Supply Purchases that is granted by the Purchase Order and the 60 percent limit that applies to member agencies that do not submit Purchase Orders. By providing this pricing break the Purchase Order allows member agencies with limited options for developing local resources to continue to rely on the Metropolitan system for the majority of their existing demand levels at no additional cost for supply. Member agencies that do have plans to develop local resources to meet growing demands are afforded the option to do so by reducing their Tier 2 purchases. In addition, member agencies that wish to reduce their use of the Metropolitan system below historical levels may do so without a commitment to the Metropolitan system by not submitting a Purchase Order.

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Flexibility and reduced transfer of risk

The Purchase Order also provides the member agencies with much of the operating and financial flexibility that they have today by not constraining the member agencies with annual take-or-pay supply contract commitments. The member agency only has to ensure that over the term of the Purchase Order that it pays for its entire Purchase Order Commitment. The financial risks of fluctuating demands are shared across the regional system.

5.9 Tier 2 supply rate

The rate structure uses a two-tiered approach to price supply. A two-tiered approach is used to encourage local water agencies to efficiently use all local supplies and to continue to invest in cost-effective conservation and additional local resources like water recycling.

5.9.1 Description

The Tier 2 Supply Rate is set at Metropolitan's cost of developing supply to encourage the member agencies and their customers to maintain existing local supplies and develop cost-effective local supply resources and conservation. Additionally, this will provide a clear price signal to the water transfer market. Presumably, water transfers that are more economical than Metropolitan's Tier 2 Supply Rate will be utilized first. The Tier 2 Supply Rate also recovers a greater proportion of the cost of developing additional supplies from member agencies that have increasing demands on the Metropolitan system. Therefore, the Tier 2 Supply Rate addresses equity issues between member agencies that are not increasing their demands on the system and member agencies that continue to need additional Metropolitan supplies.

The Tier 2 Supply Rate is recommended to be \$154 per acre-foot. This reflects a weighted average of Metropolitan's cost of developing supply from the following programs: the San Bernardino Valley Municipal Water District Water Transfer Program; the Imperial Irrigation District/Metropolitan Water District Conservation Program; and the State Water Project Dry-Year Water Purchase Program. These programs were chosen out of the number of water supply programs that Metropolitan has developed because they are established and proven water transfer programs with known costs and are representative of types of water transfers that may be developed in the future. The unit cost for these programs is calculated as the present value of the program costs divided by program yield in acre-feet. Appendix 2 of this report presents this calculation, the assumptions underlying the program costs and discusses the rationale for choosing these programs. The Board will regularly review the Tier 2 Supply Rate in light of the cost of other water supply programs that are implemented and may during its regular rate cycle make adjustments to the Tier 2 Supply Rate.

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The total revenue requirement for the supply service function is about \$150 million in fiscal year 2002/03. At an expected average sales level of 2.0 million acre-feet it is estimated that about 87,000 acre-feet will be sold at the Tier 2 Supply Rate. This will generate about \$13 million. The remaining supply costs are recovered by the Tier 1 Supply Rate and by the long-term storage water rate and agricultural water rate discussed below.

The two-tier pricing approach is closely linked to the Purchase Order and a base level of demand. The base level of demand or "Base" is defined as the maximum annual firm demands on the Metropolitan system for the 13 years ending June 30, 2002. Firm demands are defined as all deliveries through the Metropolitan system to a member agency excluding: (1) long-term seasonal storage service; (2) interim agricultural service; (3) deliveries made under the interruptible service program and (4) deliveries made to cooperative and cyclic storage accounts.

Member agencies that submit a Purchase Order may purchase up to 90 percent of the Base at the lower Tier 1 Supply Rate. For supply purchases in excess of 90 percent of the Base the member agency will be charged the higher Tier 2 Supply Rate. Member agencies that do not submit a Purchase Order will be charged the higher Tier 2 Supply Rate for supplies that exceed 60 percent of the Base. Over time the Base will be compared to a rolling ten-year average of firm demands (not including water transfers). The greater of the Base and the rolling ten-year average of firm demands will be used to set the breakpoint between supply purchases made at the Tier 1 and Tier 2 Supply Rates. This adjustment is done to partially mitigate the impact of having to pay the higher Tier 2 Supply Rate for more and more supply over time as demands grow.

5.9.2 Benefits

The use of the Tier 2 Supply Rate provides several benefits including, efficient resource management, clear price signals to accommodate a water transfer market, and a means of addressing customer equity issues.

Efficient resource management

By pricing supplies that exceed 90 percent of a member agency's Base demand at a price reflecting Metropolitan's supply cost a price incentive exists to encourage efficient regional resource management. Member agencies will be encouraged to invest in cost-effective conservation measures and local resources like water recycling. Metropolitan has historically set its water rates with the primary objective of recovering cost. While it will recover some of Metropolitan's supply cost, the Tier 2 Supply Rate is a pricing tool designed specifically for the purpose of creating a greater incentive for member agencies to make economic resource management decisions.

Clear price signals

The Tier 2 Supply Rate will reflect Metropolitan's cost of developing supply. In so doing, Metropolitan will be competing in the water transfer market along with other providers of

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imported water supplies. If other providers of imported supply can develop additional supply at a lower cost than Metropolitan's Tier 2 Supply Rate the water transfer market will expand to meet the region's increasing demands. All users of the Metropolitan system will pay the same for access to non-firm conveyance and distribution capacity through the System Access Rate and for the benefits of the regional demand management programs through the Water Stewardship Rate.

Addressing increasing demands

By recovering a greater proportion of the cost of developing supply from member agencies that have increasing demands on the Metropolitan system, the Tier 2 Supply Rate addresses an equity issue among member agencies. Member agencies placing greater demand on Metropolitan supplies will purchase a greater share of their water at the Tier 2 Supply Rate, thus bearing a larger share of the cost of supply (including new supply).

5.10 Tier 1 supply rate

5.10.1 Description

The Tier 1 Supply Rate is recommended to be \$73 per acre-foot. The Tier 1 Supply Rate recovers the majority of the supply revenue requirement. The Tier 1 Supply Rate is simply calculated as the amount of the total supply revenue requirement that is not recovered by the Tier 2 Supply Rate and a portion of the revenues from the long-term storage water rate and agricultural water rate divided by the estimated amount of Tier 1 water sales. At an expected demand level of about 2.0 million acre-feet it is estimated that Metropolitan will sell about 1.6 million acre-feet at the Tier 1 Supply Rate.

Member agencies with Purchase Orders will pay the Tier 1 Supply Rate for all firm demands up to 90 percent of their base demand. Member agencies without a Purchase Order will pay the Tier 1 Supply Rate for all firm demands up to 60 percent of their base demand.

5.11 Long-term storage and agricultural water rates

Metropolitan currently provides interruptible service for long-term storage replenishment operations and agricultural deliveries through the seasonal storage service program (SSS) and the interim agricultural water program (IAWP). Over the last five fiscal years ending June 30, 2000 long-term replenishment deliveries have averaged about 80,000 acre-feet per year and certified agricultural deliveries have averaged about 110,000 acre-feet per year.

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5.11.1 Description

The rate structure retains Metropolitan's current water rates for the long-term seasonal storage service program and interim agricultural water program of \$233 and \$236 per acre-foot (untreated) and \$290 and \$294 per acre-foot (treated) respectively. These rates will remain bundled. These rates will increase over time by the absolute amount of increase in the sum of the System Access Rate, Water Stewardship Rate, System Power Rate and Tier 1 Supply Rate (i.e. the difference between the effective volumetric cost of delivered Tier 1 Supply and the long-term storage and agricultural water rates will remain the same as it is today. The Board may, during its regular rate setting process review these rates in light of the cost of providing these services and adjust these rates accordingly. These rates were left at their current levels to mitigate the initial financial impact to the member agencies of implementing the rate structure and to simplify the administration of the rate structure. Revenue generated by these rates will be used to proportionally reduce the revenue requirement that must be recovered by the System Access Rate, Water Stewardship Rate, System Power Rate and Tier 1 Supply Rate. The long-term seasonal storage service program and the interim agricultural water program will continue to be administered through Metropolitan's existing Administrative Code procedures.

5.11.2 Benefits

The Metropolitan system often produces significant amounts of surplus supply during wet and normal years. Retaining the SSS and the IAWP reduces negative financial impacts on member agencies, mitigates rate changes, and provides revenues to offset costs that would otherwise be paid for by firm water users. In addition, these programs make use of surplus water that can be interrupted as the supply situation demands.

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6 Estimated fiscal year 2002/03 financial impacts

6.1 Assumptions

To estimate the potential financial impacts of the rate structure and recommended rates and charges a financial impact analysis was performed. The impact analysis compares the total cost paid by each member agency under the new rate structure to the total cost paid under the current rate structure in fiscal year 2002/03. Several key assumptions listed below were made to complete this analysis.

Current rates and charges

The impact analysis compares the costs to a member agency under the proposed rate structure to the costs a member agency would pay under the current rates and charges. This was done to answer a simple question, “What is the impact to my agency compared to current rates and charges?”

Recommended rates and charges

The impact analysis assumes that the recommended rates and charges are adopted by the Board.

Effective date of rates and charges

To simplify the analysis and provide a meaningful comparison for a full year of operations, the impact analysis assumes that the recommended rates and charges are in effect for the entire fiscal year 2002/03. The recommended rates and charges will actually not become effective until January 1, 2003.

Demand levels

Predicted average system demands, which are modeled using 77 years of historical hydrologic data, were used to calculate each agency’s costs under both the proposed and current rates and charges. The impact can be interpreted as the expected impact based on 77 estimated possible hydrologic conditions. Each of the different hydrologic conditions will yield different results depending on whether they are “wet” or “dry” resulting in agencies taking delivery of less or more imported water respectively. As an agency uses less imported water, the costs it pays through volumetric rates (e.g., system access rate) decrease, and as an agency uses more imported water these costs increase. Schedule 12 summarizes the expected average member agency demands.

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Schedule 13. Estimated FY2003 demands (by member agency)

	Tier 1 (acre-feet)	Tier 2 (acre-feet)	Long-term Storage	Agricultural	Total
Anaheim	17,665	-	-	-	17,665
Beverly Hills	12,981	-	-	-	12,981
Burbank	9,811	-	-	-	9,811
Calleguas	100,021	14,757	984	5,508	121,270
Central Basin	68,095	-	21,462	-	89,556
Compton	4,529	-	-	-	4,529
Eastern	70,521	3,089	13,348	2,730	89,689
Foothill	10,243	79	477	-	10,799
Fullerton	8,310	-	-	17	8,327
Glendale	24,717	-	-	-	24,717
Inland Empire	52,383	1,562	3,855	30	57,830
Las Virgenes	20,553	2,125	-	-	22,679
Long Beach	39,471	1,283	4,979	-	45,734
Los Angeles	228,356	-	17,736	-	246,092
MWDOC (Includes Coastal)	222,836	11,524	47,547	1,706	283,614
Pasadena	21,180	768	-	-	21,947
San Diego	447,035	34,469	-	72,921	554,426
San Fernando	27	-	4	-	30
San Marino	877	-	-	-	877
Santa Ana	10,616	-	-	-	10,616
Santa Monica	10,881	922	-	-	11,803
Three Valleys	67,151	-	3,611	75	70,837
Torrance	16,811	-	-	-	16,811
Upper San Gabriel	6,413	-	27,320	-	33,733
West Basin	149,313	-	3,716	-	153,029
Western	58,673	16,310	1,000	23,704	99,687
Total	1,679,470	86,890	146,038	106,691	2,019,089

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Purchase Orders

The impact analysis assumes that all member agencies submit a Purchase Order. Therefore all member agencies may purchase up to 90 percent of their Base demand at the lower Tier 1 Supply Rate. If a member agency elects not to submit a Purchase Order, the financial impacts may vary from this result.

Requested maximum daily flow rates

The proposed Capacity Reservation Charge is recovered from the member agencies based on an amount of maximum daily flow that each agency submits to Metropolitan. With the exception of the City of Los Angeles and the City of San Fernando, the analysis assumes that each agency submits a maximum daily flow rate equivalent to the peak day flow for firm service (full service and seasonal shift) experienced during the five years ending June 30, 2000. The analysis also assumes that no agency incurs the Peaking Surcharge. Each agency will have to perform its own analysis to determine the maximum daily flow rate that minimizes its total cost related to using the Metropolitan system to meet peak demands. A peaking analysis database tool was developed and distributed to the member agencies for this purpose.

6.2 Results

Based on the above assumptions the impact analysis indicates that the member agencies will pay about plus or minus three percent of what their costs would be under the current rates and charges. Schedule 15 summarizes the impact by member agency. Appendix 3 of this report provides a line item estimate of the costs for each member agency under the new rate structure and current rate structure for expected total system deliveries of about 2.0 million acre-feet.

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Schedule 14. Estimated FY2003 financial impacts (by agency assuming expected normal demands)

	Current Rate Structure	New Rate Structure ^{1&2}	Change from Current Rate Structure	Percent Change from Current Rate Structure
Anaheim	\$ 6,600,000	\$ 6,500,000	\$ (100,000)	-1.5%
Beverly Hills	6,300,000	6,200,000	(100,000)	-1.6%
Burbank	4,700,000	4,700,000	-	0.0%
Calleguas	53,400,000	54,200,000	800,000	1.5%
Central Basin	35,000,000	33,900,000	(1,100,000)	-3.1%
Compton	2,000,000	2,000,000	-	0.0%
Eastern	34,600,000	34,800,000	200,000	0.6%
Foothill	4,600,000	4,700,000	100,000	2.2%
Fullerton	3,700,000	3,600,000	(100,000)	-2.7%
Glendale	11,500,000	11,400,000	(100,000)	-0.9%
Inland Empire	19,900,000	20,000,000	100,000	0.5%
Las Virgenes	10,000,000	10,200,000	200,000	2.0%
Long Beach	19,300,000	18,900,000	(400,000)	-2.1%
Los Angeles	96,300,000	96,300,000	-	0.0%
MWDOC	114,500,000	113,400,000	(1,100,000)	-1.0%
Pasadena	9,400,000	9,700,000	300,000	3.2%
San Diego	211,400,000	211,500,000	100,000	0.0%
San Fernando ³	n/a	n/a		
San Marino	400,000	400,000	-	0.0%
Santa Ana	4,800,000	4,800,000	-	0.0%
Santa Monica	5,400,000	5,500,000	100,000	1.9%
Three Valleys	29,500,000	29,100,000	(400,000)	-1.4%
Torrance	7,900,000	7,800,000	(100,000)	-1.3%
Upper San Gabriel	7,700,000	7,700,000	-	0.0%
West Basin	73,800,000	71,600,000	(2,200,000)	-3.0%
Western	37,200,000	37,600,000	400,000	1.1%
TOTAL	\$ 810,200,000	\$ 806,400,000	\$ (3,800,000)	-0.5%

Notes:

[1] Assumes rates and charges for each rate structure are effective for the entire year (i.e. new rates and charges are assumed to be in place on July 1 2002 even though new rates will not actually be in effect until January 2003).

[2] Assumes all member agencies submit a Purchase Order

[3] San Fernando is estimated to take 30 acre-feet during fiscal year 2002/03. Under the current rate structure, San Fernando would receive a credit of about \$21,000 due to Standby Charges paid. It is estimated that San Fernando would receive a credit of \$16,000 under the new rate structure.

7 Evaluation of Rate Structure

In addition to Board policy objectives and technical issues raised by member agency staff and Board members, the development of the rate structure was guided by the evaluation criteria listed below. These general criteria are commonly used to evaluate water utility rate designs and help provide a balanced approach to meeting competing objectives.

- Efficient resource management
- Customer equity
- Financial sufficiency
- Customer impacts
- Simplicity

The design of a rate structure involves many tradeoffs. For example, one rate structure element may improve efficient resource management objectives by providing a more economically efficient price signal. This same element may require more complex implementation and administration actions and as a result will sacrifice some simplicity. The opposite situation is just as true. In seeking out the simplest solutions, more economically efficient or equitable rate design elements may be sacrificed. As a result, effective rate setting balances competing pricing objectives to maximize the overall benefits provided by the rate structure. This section of the report describes the evaluation criteria and how the rate structure measures up to the criteria.

7.1 Efficient resource management

7.1.1 Rate design evaluation criteria

Efficient resource management is a general term used to judge whether the proposed rate structure achieves broad resource management goals that benefit the region. The efficient resource management aspects of the rate structure are defined by the following elements:

- *Economic Efficiency* – The rate structure should send a price signal that reflects a reasonable estimate of the cost of producing the next increment of supply. This price signal encourages member agencies to invest in economical local resources, before increasing their use of the imported water system to meet firm demands.

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- *Future capital investments* – The rate structure should provide price signals that encourage customers to use the system in ways that defer capacity expansion and utilize available capacity as efficiently as possible.

7.1.2 Evaluation

Economic efficiency

The rate structure improves economic efficiency compared to the current rate structure by: (1) sending a stronger price signal through the tiered pricing of supply encouraging investments in local resources and; (2) unbundling the costs for the various service functions providing a more direct nexus between a service and the price paid for that service.

To create an incentive for local agencies to invest in economical local resources, the rate structure prices additional water supply at its cost of development rather than melding higher cost new supplies with low cost existing supplies. An agency that consistently relies on the Metropolitan system to meet firm demands in excess of 90 percent of its Base demand will pay for this impact on the system. Specifically, this member agency will pay the rates and charges for conveyance, distribution, treatment etc. as well as the higher Tier 2 Supply Rate.

The cost of each of the various services is priced separately so that the member agencies pay uniform rates and charges for essential services (e.g., conveyance and distribution) yet have a choice in whether or not they purchase additional imported supply from Metropolitan or another provider.

Future capacity expansion

The Capacity Reservation and Peaking Surcharge create an incentive for a member agency to shift its demands on the system into the off peak season (defined as October 1 through April 30) and to reduce its use of system capacity to meet maximum day demands. Lower peak season demands and lower peak day demands help Metropolitan to defer capacity expansion, providing savings for all member agencies.

7.2 Customer Equity

7.2.1 Rate design evaluation criteria

Customer equity describes whether or not the rate structure fairly allocates costs among the member agencies. Specific criteria were used to judge customer equity. These criteria include:

- *Like rates for like services* – the rate structure recovers costs through like rates and charges for like services.

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- *Standby service costs* – the rate structure recovers standby service costs (e.g. emergency storage) from the member agencies in a manner that is a reasonable representation of each member agency’s potential need for these services.
- *Peak vs. average system usage* – customers with relatively high peak to average ratios pay a greater share of the costs incurred to meet peak demands.

7.2.2 Evaluation

Like rates for like services

All member agencies pay like rates for like services.

Standby service costs

The proposed rate structure recovers standby service costs from the member agencies through the RTS. Each member agency incurs an RTS obligation that is representative of their potential average need for standby service. The RTS is allocated to the member agencies on the basis of a ten-year rolling average of firm demands. An agency’s RTS obligation is offset by the standby charge collections levied on behalf of the member agency. In this manner standby service costs are recovered as a fixed charge and are paid by the member agency each and every year.

Peak vs. average system usage

The Capacity Reservation Charge and Peaking Surcharge create an incentive for agencies to shift their demands from between May 1 and September 30 to October 1 through April 30 and to reduce peak day demands Metropolitan's system. The Capacity Reservation Charge recovers the demand cost for the distribution function from each member agency in proportion to the amount of maximum daily flow requested by each member agency. Through the Capacity Reservation Charge and Peaking Surcharge, a member agency with a relatively high peak to average ratio will bear a greater share of the distribution demand costs compared to a member agency that is able to shift its demands to the off-peak season and/or avoid using the Metropolitan system to meet peak day demands.

7.3 Financial sufficiency

7.3.1 Rate design criteria

In addition to meeting the policy objectives, ensuring customer equity and providing for efficient resource management, the rate structure must recover Metropolitan’s costs. “Financial sufficiency” was defined by the following two parameters:

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- *Cost recovery* – The rate structure must recover Metropolitan’s costs on a self-sustaining basis.
- *Increased fixed revenues* – The rate structure should increase the level of fixed revenue sources and lessen the variability of revenues that results from a high dependence on commodity revenue.

7.3.2 Evaluation

Cost recovery

The recommended rates and charges recover Metropolitan’s costs on a self-sustaining basis. The rates are set to cover all costs of service with the exception of \$14 million paid from the Water Rate Stabilization fund. The estimated fixed charge coverage ratio under the recommended rates and charges is 1.27 assuming expected average sales of 2.0 million acre-feet and is the same as the fixed charge ratio that would result from the existing rates and charges. The rates and charges will be levied on an annual basis by the Board to meet all outstanding and future obligations consistent with current and future bond covenants and other requirements set forth by the Administrative Code.

Increased fixed revenues

The proposed rate structure increases the percentage of Metropolitan’s fixed costs that are recovered by fixed revenues. The RTS (including standby charge offsets) and the Capacity Reservation Charge provide sources of fixed revenues. In addition, the Purchase Order establishes a financial commitment from the member agency to Metropolitan which may result in as much as 11.9 million acre-feet of sales being committed to through the year 2012.

7.4 Customer impacts

7.4.1 Rate design evaluation criteria

How each member agency’s costs initially change from the current rate structure was carefully considered. Care was taken to ensure that any one member agency or class of service was not unfairly treated and that all changes from the current rate structure were justified from the standpoint of improving the linkages between costs and benefits and the incentive to efficiently manage resources.

7.4.2 Evaluation

The major changes from how costs are recovered under the current rate structure that influence customer impacts are: (1) tiered pricing; (2) a ten-year rolling average of firm

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demands used to allocate the RTS; (3) the Capacity Reservation Charge and Peaking Surcharge.

Tiered pricing

The implementation of tiered pricing provides a regional incentive to most efficiently manage local water supplies and encourages member agencies to invest in additional conservation and local supply resources like water recycling. Because of the potential benefits of increased water supply reliability through greater conservation and local water supply investments provided by tiered pricing the change to tiered pricing is warranted. Member agencies that rely on system supplies to meet demands that exceed 90 percent of their Base demand will pay proportionately more for supply.

RTS

The RTS also improves the matching of costs and benefits, and as a result, the changes of how costs are recovered among the member agencies is warranted. Metropolitan's fixed standby service costs are recovered from the member agencies as a fixed revenue source through the RTS. Agencies will pay the RTS each and every year regardless of the amount of water they take in a given year. Because Metropolitan is standing by ready to serve in any given year it is appropriate that these costs be recovered in this manner.

Capacity Reservation Charge and Peaking Surcharge

The Capacity Reservation Charge and Peaking Surcharge improve the matching of costs and benefits among the member agencies and improve the incentive to efficiently manage resources and defer capacity expansion. As a result, changes in how costs are recovered from among the member agencies due to the Capacity Reservation Charge and Peaking Surcharge are warranted. Agencies that rely on the system to meet peak season and peak day demands will pay a greater share of the demand costs for distribution than agencies that shift their demand to the off-peak season and reduce their use of the system to meet peak day demands. In addition, the Capacity Reservation Charge and Peaking Surcharge create an incentive to defer capacity expansion that can potentially lead to significant benefits for all member agencies in terms of reduced capital costs for system capacity expansion.

7.5 Simplicity

7.5.1 Rate design evaluation criteria

Considerable effort was made to design a simple and practical rate structure that can be implemented and administered by Metropolitan, the member agencies and the retail purveyors. The objective of designing a simple rate structure was carefully balanced against achieving other objectives such as efficient resource management, customer equity and financial sufficiency. Opportunities always exist to simplify rate designs, however, the

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tradeoffs of added simplicity are often potential losses in efficient resource management, customer equity and financial sufficiency. The following criteria were used to judge the simplicity of the rate structure.

- *Easy to understand* – The rate structure should be fairly easy for all stakeholders to understand.
- *Practical for Metropolitan to implement and administer* – Metropolitan should be able to practically implement and administer the rate structure.
- *Practical for the member agencies to implement and administer* – The member agencies should be able to implement and administer the rate structure.

7.5.2 Evaluation

Easy to understand

There are four basic characteristics that explain the rate structure. These characteristics are:

- First, costs for the different services (i.e. conveyance, distribution, power, demand management, treatment and supply) are recovered by separate rates and charges to provide visibility and choice.
- Second, a tiered pricing structure recovers additional cost from agencies that use more than 90 percent of their Base demand encouraging cost-effective investments in conservation and local resources and appropriate pricing for additional Metropolitan supplies.
- Third, all rates and charges are uniform across each class of service and reflect the proportional benefits received by each class of service
- Purchase Orders establish a financial commitment from the member agency to Metropolitan and provide a pricing incentive to the member agency.

Practical for Metropolitan to implement and administer

The rate structure can be implemented and administered by Metropolitan. The careful development of implementation actions (e.g. revised billing system) and administrative procedures will ease the implementation and administrative burden borne by the member agencies and their retail purveyor customers.

Practical for the member agencies to implement and administer

Member agencies have a range of choices related to the implementation of the rate structure within their service area. One approach is to re-bundle the rates and charges the member

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agency pays to Metropolitan and pass these costs on to retail purveyor customers as a single bundled water rate. Another approach is to the extent necessary, “mirror” the Metropolitan rate structure within the member agency's service area and levy similar rates and charges. But, the rate structure is flexible enough to ease implementation at the member agency and retail level. Member agencies that do not provide wholesale service face fewer implementation and administration issues than agencies that provide wholesale service.

Appendix 1

***Cost of Service
Supporting Schedules***

Appendix A: Executive Summary Schedules

Schedule A-1 A-1	Revenue Requirements Summary
Schedule A-2 A-2	Functional Allocation Summary (by Function)
Schedule A-3 A-3	Functional Allocation Summary (by Sub-Function)
Schedule A-4 A-4	Cost Classification Summary
Schedule A-5 A-5	Summary of Cost Classifications (by Function)
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Metropolitan Water District
 Cost of Service Model
 Schedule A-1
 Revenue Requirements Summary

	Estimated for FY 2003	% of Revenue Requirements (1)
<u>Departmental Operations & Maintenance</u>		
Office of the General Manager	\$ 4,367,632	0.3%
External Affairs	11,470,900	0.9%
Water Systems Operations	94,713,974	7.2%
Chief Financial Officer	7,573,799	0.6%
Corporate Resources	58,751,653	4.5%
Water Resource Management	12,506,100	1.0%
General Counsel	6,198,873	0.5%
Audit Department	956,282	0.1%
Total Departmental O&M	196,539,212	15.0%
<u>General District Requirements</u>		
State Water Project	342,086,639	26.2%
Colorado River Aqueduct	58,788,610	4.5%
Net Deposit to Water Transfer Fund	45,000,000	3.4%
Water Management Programs	41,116,787	3.1%
Capital Financing Program	384,418,145	29.4%
Water Quality Exchange and Transfers	0	0.0%
Operating Equipment and Leases	18,674,283	1.4%
Increase (Decrease) in Required Reserves	(3,278,425)	0.3%
Total General District Requirements	886,806,040	68.3%
Revenue Offsets	(224,133,477)	17.1%
Net Revenue Requirements	\$ 859,211,775	100.5%

(1) Given as a percentage of the absolute values of total dollars.

<i>Revenue Offsets not included in functional allocation and demand/commodity classification process:</i>		
	\$	-
<i>Revenue Offsets after exclusion of above items:</i>		
	\$	(224,133,477)
<i>Net Revenue Requirements after same adjustment:</i>		
	\$	859,211,775
Absolute value of dollars allocated	\$	1,307,478,729

Cost of Service Model
 Schedule A-2
 Functional Allocation Summary (by Function)

<u>Functional Categories</u>	Estimated for FY 2003	% of Allocated Dollars (1)
Source of Supply	\$ 100,140,022	11.3%
Conveyance & Aqueduct	352,348,149	39.8%
Storage	109,933,560	12.4%
Treatment	102,361,899	11.6%
Transmission	106,809,431	12.1%
Demand Management	42,008,473	4.7%
Administrative & General	58,990,493	6.7%
Hydro-electric	(13,380,251)	1.5%
Total Functional Allocations:	\$ 859,211,775	100.0%

(1) Given as a percentage of the absolute values of total dollars allocated.

Metropolitan Water District
 Cost of Service Model
 Schedule A-3
 Functional Allocation Summary (by Sub-Function)

<u>Functional Categories</u>	Estimated for FY 2003	% of Allocated Dollars (1)
Source of Supply		
CRA	\$ 1,415,186	0.2%
SWP	48,497,263	5.4%
Other Supply	50,227,573	5.6%
Subtotal: Source of Supply	100,140,022	11.1%
Conveyance & Aqueduct		
CRA		
<i>CRA Power</i>	59,703,595	6.6%
<i>CRA All Other</i>	21,276,945	2.4%
SWP		
<i>SWP Power</i>	107,141,647	11.9%
<i>SWP All Other</i>	126,687,634	14.1%
Other Conveyance & Aqueduct	37,538,328	4.2%
Subtotal: Conveyance & Aqueduct	352,348,149	39.2%
Storage		
Storage Costs Other Than Power		
<i>Emergency</i>	57,463,562	6.4%
<i>Drought</i>	47,091,711	5.2%
<i>Regulatory</i>	11,888,702	1.3%
Storage Power	(6,510,415)	0.7%
Subtotal: Storage	109,933,560	12.2%
Treatment	102,361,899	11.4%
Distribution	106,809,431	11.9%
Demand Management	42,008,473	4.7%
Administrative & General	58,990,493	6.6%
Hydro-electric	(13,380,251)	1.5%
Total Functional Allocations:	\$ 859,211,775	99%

(1) Given as a percentage of the absolute values of total dollars allocated.

Metropolitan Water District
 Cost of Service Model
 Schedule A-4
 Cost Classification Summary

<u>Classification Categories</u>	Estimated for FY 2003	% of Classified Dollars (1)
Fixed Demand	\$ 62,413,350	7.1%
Fixed Commodity	552,610,174	62.4%
Variable Commodity	186,377,671	21.1%
Hydro-Electric	(12,867,194)	1.5%
Total Cost Classifications:	\$ 859,211,775	100.0%

(1) Given as a percentage of the absolute values of total dollars classified.

Metropolitan Water District
 Cost of Service Model
 Schedule A-5
 Summary of Cost Classifications (by Function)

Functional Categories	Classification Categories					Total Classified for FY 2003
	Fixed			Variable Commodity	Hydro-Electric	
	Demand	Commodity	Standby			
Source of Supply	\$ -	\$ 106,539,115	\$ -	\$ -	\$ -	\$ 106,539,115
Conveyance & Aqueduct	10,989,012	184,674,067	8,155,003	171,818,536	-	375,636,618
Storage	6,466,444	49,904,179	62,522,772	-	-	118,893,395
Treatment	24,208,458	72,157,159	-	14,559,135	-	110,924,752
Transmission	20,749,436	94,642,778	-	-	-	115,392,213
Demand Management	-	44,692,875	-	-	-	44,692,875
Administrative & General	-	-	-	-	-	-
Hydro-electric	-	-	-	-	(12,867,194)	(12,867,194)
Total Costs Classified	\$ 62,413,350	\$ 552,610,174	\$ 70,677,775	\$ 186,377,671	\$ (12,867,194)	\$ 859,211,775

Metropolitan Water District
 Cost of Service Model
 Schedule A-6

Summary of Net Revenue Requirements Recovered by Rate Design Element

FY2003		% of Total Revenue Requirement
Contract Supply	\$ 149,713,615	17.4%
System Access Rate		
Conveyance	184,674,067	21.5%
Distribution	88,505,263	10.3%
Sub-total System Access Rate	273,179,331	31.8%
System Power Rate	171,818,536	20.0%
Peaking Charge		
Conveyance	-	0.0%
Distribution	27,215,880	3.2%
Treatment	-	0.0%
Sub-total Peaking Charge	27,215,880	3.2%
Readiness-to-Serve		
Emergency Storage	62,522,772	7.3%
Standby Conveyance	19,144,015	2.2%
Standby Distribution	-	0.0%
Standby Treatment	-	0.0%
Sub-total Readiness-to Serve	81,666,786	9.5%
Treatment Surcharge	110,924,752	12.9%
Water Stewardship Rate	44,692,875	5.2%
Total Costs Allocated	\$ 859,211,775	100.0%
Total Costs Classified	\$ 859,211,775	

FY 2003

DEPARTMENTAL BUDGETS

(by Group/Section)

Office of the Chief Executive Officer

Office of Chief Executive Officer
 Subtotal: Office of the Chief Executive Officer

External Affairs

Legislative Services
 Media Services
 Office of Manager
 Customer and Community

Subtotal: External Affairs

Water Systems Operations

Office of Manager, A & G
 Office of Manager, Conveyance and Distribution (C&A)
 Office of the Manager, Treatment Section
 Office of the Manager, Operations Support Services
 Operations Support Services, Construction Services Unit
 C&D CRA Unit
 C&D System Operations
 Treatment Jensen
 Treatment Diemer
 Treatment Mills
 Treatment Skinner
 Treatment Weymouth
 Water Quality Monitoring

Subtotal: Water System Operations

Chief Financial Officer

Office of the CFO
 Subtotal: Chief Financial Officer

Corporate Resources

Business Services
 Asset Management
 Engineering Services
 Human Resources
 Information Technology
 Office of Manager

Subtotal: Corporate Resources

Water Resource Management

Resource Planning
 Resource Implementation
 Office of Manager

Subtotal: Water Resource Management

Legal Department

Audit Department

Total Departmental O&M

Source of Supply	Conveyance & Aqueduct	Storage		Treatment	Distribution	Demand Management	Administrative & General	Hydro-Electric	Total \$ Allocated
		Non-Power	Power						
\$ 197,411	\$ 447,941	\$ 230,334	\$ 13	\$ 970,106	\$ 748,520	\$ 40,218	\$ 942,287	\$ 27,651	\$ 3,604,481
197,411	447,941	230,334	13	970,106	748,520	40,218	1,705,438	27,651	4,367,632
0	0	0	0	0	0	0	2,687,700	0	2,687,700
0	0	0	0	0	0	0	2,285,900	0	2,285,900
0	0	0	0	0	0	0	1,008,900	0	1,008,900
0	0	0	0	0	0	0	5,488,400	0	5,488,400
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	11,470,900	0	11,470,900
66,683	697,003	76,792	0	2,137,550	1,389,813	0	0	41,658	4,409,500
0	56,667	0	0	0	79,631	0	0	4,191	140,490
0	0	0	0	154,644	0	0	0	0	154,644
4,427	46,275	5,098	0	141,915	92,271	0	0	2,766	292,752
0	0	84,614	0	0	4,146,076	0	0	0	4,230,690
0	9,893,405	0	0	0	0	0	0	0	9,893,405
0	0	0	0	0	2,719,374	0	0	0	2,719,374
0	0	0	0	5,398,224	0	0	0	0	5,398,224
0	0	0	0	8,406,413	0	0	0	0	8,406,413
0	0	0	0	4,322,033	0	0	0	0	4,322,033
0	0	0	0	7,509,905	0	0	0	0	7,509,905
0	0	0	0	7,148,206	0	0	0	0	7,148,206
1,172,183	0	1,265,269	0	4,769,029	3,651,885	0	0	0	10,858,366
1,427,857	14,981,320	1,644,317	0	45,925,141	29,839,140	0	0	896,199	94,713,974
0	0	0	0	0	0	0	7,573,799	0	7,573,799
0	0	0	0	0	0	0	7,573,799	0	7,573,799
0	0	0	0	0	0	0	10,830,163	0	10,830,163
26,547	206,309	656,524	0	320,708	335,575	0	704,033	50,950	2,300,646
226,140	2,760,559	7,074,859	0	2,971,075	4,446,334	0	489,051	417,348	18,385,366
525,181	1,101,828	421,545	37	2,781,373	2,150,752	102,151	3,467,153	76,398	10,626,417
788,196	1,653,633	632,659	55	4,174,309	3,227,868	153,310	5,203,534	114,659	15,948,223
0	129,115	0	0	137,151	0	0	394,572	0	660,839
1,566,063	5,851,445	8,785,588	92	10,384,617	10,160,528	255,461	21,088,505	659,355	58,751,653
3,857,874	0	177,193	0	187,547	359,528	0	521,157	0	5,103,300
2,208,695	1,373,098	0	607	0	0	2,015,100	0	0	5,597,500
780,164	222,422	57,362	44	59,068	368,760	0	317,480	0	1,805,300
6,846,733	1,595,519	234,555	651	246,615	728,289	2,015,100	838,638	0	12,506,100
0	0	0	0	0	0	0	6,198,873	0	6,198,873
0	0	0	0	0	0	0	956,282	0	956,282
10,038,064	22,876,226	10,894,793	756	57,526,479	41,476,476	2,310,779	49,832,433	1,583,206	196,539,212

FY 2003

	Source of Supply	Conveyance & Aqueduct	Storage		Treatment	Distribution	Demand Management	Administrative & General	Hydro-Electric	Total \$ Allocated
			Non-Power	Power						
GENERAL DISTRICT REQUIREMENTS										
State Water Project										
Existing Capital Costs										
Transmission	0	132,181,162	0	0	0	0	0	0	0	132,181,162
Delta-Water Charge (Supply)	20,659,869	0	0	0	0	0	0	0	0	20,659,869
Future Capital Costs	1,210,548	0	0	0	0	0	0	0	0	1,210,548
Minimum OMP&R										
Transmission	0	83,156,182	0	0	0	0	0	0	0	83,156,182
Delta-Water Charge (Supply)	24,480,720	0	0	0	0	0	0	0	0	24,480,720
Bay Delta Category III Funding	0	0	0	0	0	0	0	0	0	0
Off-Aqueduct	0	64,958,535	0	3,870,913	0	0	0	0	0	68,829,448
Variable Power Cost	0	59,608,711	0	0	0	0	0	0	0	59,608,711
SWP Credits										
Power	0	(14,707,000)	0	0	0	0	0	0	0	(14,707,000)
Transmission	0	(33,333,000)	0	0	0	0	0	0	0	(33,333,000)
Bay-Delta (Supply)	0	0	0	0	0	0	0	0	0	0
Subtotal: SWP	46,351,137	291,864,589	0	3,870,913	0	0	0	0	0	342,086,639
Colorado River Aqueduct										
Power Cost	0	58,788,610	0	0	0	0	0	0	0	58,788,610
CRA Supply Programs										
IID 1	0	0	0	0	0	0	0	0	0	0
Other # 1	0	0	0	0	0	0	0	0	0	0
All American and Coachella Canal Lining O&M	0	0	0	0	0	0	0	0	0	0
Other # 2	0	0	0	0	0	0	0	0	0	0
Storage Programs	0	0	0	0	0	0	0	0	0	0
Subtotal: Colorado River Aqueduct	0	58,788,610	0	0	0	0	0	0	0	58,788,610
Deposit to Water Transfer Fund	45,000,000	0	0	0	0	0	0	0	0	45,000,000
Water Management Programs										
Local Resources Program	0	0	0	0	0	0	26,773,187	0	0	26,773,187
Conservation Credits Program	0	0	0	0	0	0	14,343,600	0	0	14,343,600
Subtotal: WMP	0	0	0	0	0	0	41,116,787	0	0	41,116,787
Capital Financing Program										
Rev Bond D/S & Increase in I&P Fund	2,185,645	26,680,825	68,378,560	0	28,715,461	42,973,845	0	4,726,679	4,033,669	177,694,682
G.O. Bond Debt Service	0	0	0	0	8,187,203	42,476,183	0	0	0	50,663,386
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0	0	0	0	0
Debt Defeasance/Tender	257,809	3,147,152	8,065,632	0	3,387,148	5,069,004	0	557,538	475,794	20,960,077
Paygo From Annual Operating Revenues	1,661,730	20,285,241	51,987,731	0	21,832,160	32,672,708	0	3,593,660	3,066,770	135,100,000
Subtotal: Capital Program	4,105,184	50,113,217	128,431,923	0	62,121,972	123,191,740	0	8,877,877	7,576,233	384,418,145
Water Quality Exchange and Transfers										
	0	0	0	0	0	0	0	0	0	0
Other Operating Costs										
Operating Equipment	584,082	1,325,330	681,491	40	2,870,267	2,214,656	118,993	2,822,329	81,813	10,699,000
Other	0	0	0	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0	720,000	0	720,000
EDMS Start-up	0	0	0	0	0	0	0	0	0	0
Water Standby Administration	0	0	0	0	0	0	0	0	0	0
Association Dues	54,701	124,122	63,824	4	268,811	207,411	11,144	264,321	7,662	1,002,000
Debt Administration	34,440	420,419	1,077,466	0	452,480	677,155	0	74,480	63,560	2,800,000
Insurance	115,160	642,774	22,250	7,907	117,483	84,705	4,719	101,769	3,233	1,100,000
Contingency	210,380	1,174,251	40,647	14,445	214,623	154,743	8,621	185,917	5,907	2,009,533
Miscellaneous Other O&M	0	0	0	0	0	0	0	0	0	0
Subtotal: Leases And Operating Equipment	998,763	3,686,897	1,885,678	366,145	3,923,664	3,338,668	143,477	4,168,817	162,175	18,674,283
Increase/(Decrease) in Required Reserves	(343,221)	(1,915,716)	(66,313)	(23,565)	(350,143)	(252,453)	(14,065)	(303,312)	(9,636)	(3,278,425)
Total General District Requirements	96,111,862	402,537,597	130,251,288	4,213,492	65,695,493	126,277,956	41,246,199	12,743,381	7,728,771	886,806,040
REQUIREMENTS BEFORE OFFSETS:	106,149,926	425,413,823	141,146,081	4,214,248	123,221,972	167,754,432	43,556,978	62,575,814	9,311,977	1,083,345,252
Revenue Offsets										
Property Tax Revenues	0	50,261,048	0	0	8,187,203	42,476,183	0	0	0	100,924,434
Interest	3,773,764	15,123,998	5,017,921	0	4,380,697	5,963,882	1,548,506	2,224,649	331,053	38,364,469

FY 2003

	Source of Supply	Conveyance & Aqueduct	Storage		Treatment	Distribution	Demand Management	Administrative & General	Hydro-Electric	Total \$ Allocated
			Non-Power	Power						
Hydro-Power Revenues	0	0	0	0	0	0	0	0	21,200,000	21,200,000
Other Revenues										0
<i>Water Quality Division Revenue Generation</i>	0	0	0	0	0	0	0	0	0	0
<i>All Other</i>	0	0	0	0	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	0	0	0	0	0	0	0
DVL Fill Power Costs from Transfer Fund	0	0	0	10,724,663	0	0	0	0	0	10,724,663
PAYG from Prior Period Revenues	616,230	7,522,506	19,278,944	0	8,096,160	12,116,230	0	1,332,660	1,137,270	50,100,000
Other	0	0	0	0	0	0	0	0	0	0
SDCWA/MWD Exchange Agreement	1,619,910	0	0	0	0	0	0	0	0	1,619,910
Wheeling	0	0	0	0	0	0	0	0	0	0
Growth Charge/Annexation Revenues	0	158,122	405,241	0	196,013	388,706	0	28,012	23,905	1,200,000
Subtotal: Revenue Offsets	6,009,904	73,065,675	24,702,106	10,724,663	20,860,073	60,945,001	1,548,506	3,585,322	22,692,228	224,133,477
NET REVENUE REQUIREMENTS:	\$ 100,140,022	\$ 352,348,149	\$ 116,443,975	\$ (6,510,415)	\$ 102,361,899	\$ 106,809,431	\$ 42,008,473	\$ 58,990,493	\$ (13,380,251)	\$ 859,211,775

Metropolitan Water District
 Cost of Service Model
 Schedule B-2
 Summary of Functional Allocation Percentages

FY 2003	Source of Supply	Conveyance & Aqueduct	Storage	Treatment	Transmission	Demand Management	Administrative & General	Hydro-Electric	Total Allocated	
<u>Departmental Operations & Maintenance</u>										
	Office of the General Manager	5%	10%	5%	22%	17%	1%	39%	1%	100%
	External Affairs	-	-	-	-	-	-	100%	-	100%
	Water Systems Operations	2%	16%	2%	48%	32%	-	1%	100%	
	Chief Financial Officer	-	-	-	-	-	-	100%	-	100%
	Corporate Resources	3%	10%	15%	18%	17%	0%	36%	1%	100%
	Water Resource Management	55%	13%	2%	2%	6%	16%	7%	-	100%
	General Counsel	-	-	-	-	-	-	100%	-	100%
	Audit Department	-	-	-	-	-	-	100%	-	100%
	Total Departmental O&M	5%	12%	6%	29%	21%	1%	25%	1%	100%
<u>General District Requirements</u>										
	State Water Project	14%	85%	1%	-	-	-	-	-	100%
	Colorado River Aqueduct	-	100%	-	-	-	-	-	-	100%
	Net Deposit to Water Transfer Fund	100%	-	-	-	-	-	-	-	100%
	Water Management Programs	-	-	-	-	-	100%	-	-	100%
	Capital Financing Program	1%	13%	33%	16%	32%	-	2%	2%	100%
	Water Quality Exchange and Transfers	-	-	-	-	-	-	-	-	-
	Operating Equipment and Leases	5%	20%	12%	21%	18%	1%	22%	1%	100%
	Increase (Decrease) in Required Reserves	10%	58%	3%	11%	8%	0%	9%	0%	100%
	Total General District Requirements	11%	45%	15%	7%	14%	5%	1%	1%	100%
	Revenue Offsets	3%	33%	16%	9%	27%	1%	2%	10%	100%
	Net Revenue Requirements	11%	40%	12%	12%	12%	5%	7%	1.5%	100%

Metropolitan Water District
 Cost of Service Model
 Schedule B-3
 Cost Classification Summary (by budget line item)

	Classification Categories					Total Classified
	Fixed			Variable Commodity	Hydro-Electric	
	Demand	Commodity	Standby			
FY 2003						
<u>Departmental Operations & Maintenance</u>						
Office of the General Manager	\$ -	\$ 2,679,580	\$ 108,780	\$ -	\$ 29,266	\$ 2,817,626
External Affairs	0	0	0	0	0	0
Water Systems Operations	0	84,136,368	598,288	14,560,641	948,524	100,243,821
Chief Financial Officer	0	0	0	0	0	0
Corporate Resources	0	34,827,405	4,336,844	0	697,851	39,862,100
Water Resource Management	0	12,266,727	81,936	0	0	12,348,664
General Counsel	0	0	0	0	0	0
Audit Department	0	0	0	0	0	0
Total Departmental O&M <i>(including Administrative and General Allocations)</i>	0	133,910,080	5,125,848	14,560,641	1,675,641	155,272,210
<u>General District Requirements</u>						
State Water Project	29,234,555	199,634,589	18,861,854	117,133,066	0	364,864,064
Colorado River Aqueduct	0	0	0	62,220,965	0	62,220,965
Net Deposit to Water Transfer Fund	0	47,627,311	0	0	0	47,627,311
Water Management Programs	0	43,517,378	0	0	0	43,517,378
Capital Financing Program	129,258,874	181,050,884	79,137,745	0	8,018,569	397,466,073
Water Quality Exchange and Transfers	0	0	0	0	0	0
Operating Equipment and Leases	0	14,230,438	950,283	0	171,643	15,352,364
Increase (Decrease) in Required Reserves	(367,192)	(1,727,724)	(145,221)	(725,339)	(9,636)	(2,975,113)
Total General District Requirements <i>(including Administrative and General Allocations)</i>	158,126,237	484,332,876	98,804,662	178,628,692	8,180,576	928,073,042
Revenue Offsets	(95,712,887)	(65,632,783)	(33,252,735)	(6,811,662)	(22,723,410)	(224,133,477)
Net Revenue Requirements	\$ 62,413,350	\$ 552,610,174	\$ 70,677,775	\$ 186,377,671	\$ (12,867,194)	\$ 859,211,775

Metropolitan Water District
 Cost of Service Model
 Schedule B-4
 Summary of Cost Classifications (by Sub-Function)

Functional Categories	Classification Categories					Total Classified
	Fixed			Variable Commodity	Hydro-Electric	
	Demand	Commodity	Standby			
Source of Supply						
CRA	\$ -	\$ 1,505,618	\$ -	\$ -	\$ -	\$ 1,505,618
SWP	-	51,596,309	-	-	-	51,596,309
Other Supply	-	53,437,188	-	-	-	53,437,188
Subtotal: Source of Supply	-	106,539,115	-	-	-	106,539,115
Conveyance & Aqueduct						
CRA						
<i>CRA Power</i>	-	3,333,227	-	60,067,068	-	63,400,295
<i>CRA All Other</i>	1,382,903	20,184,452	1,213,270	-	-	22,780,626
SWP						
<i>SWP Power</i>	-	2,016,322	-	111,751,468	-	113,767,791
<i>SWP All Other</i>	-	134,783,158	-	-	-	134,783,158
Other Conveyance & Aqueduct	9,606,108	24,356,907	6,941,733	-	-	40,904,749
Subtotal: Conveyance & Aqueduct	10,989,012	184,674,067	8,155,003	171,818,536	-	375,636,618
Storage						
Storage Costs Other Than Power						
<i>Emergency</i>	-	-	62,522,772	-	-	62,522,772
<i>Drought</i>	-	50,100,939	-	-	-	50,100,939
<i>Regulatory</i>	6,466,444	6,729,679	-	-	-	13,196,124
Storage Power	-	(6,926,440)	-	-	-	(6,926,440)
Subtotal: Storage	6,466,444	49,904,179	62,522,772	-	-	118,893,395
Treatment	24,208,458	72,157,159	-	14,559,135	-	110,924,752
Distribution	20,749,436	94,642,778	-	-	-	115,392,213
Demand Management	-	44,692,875	-	-	-	44,692,875
Hydro-Electric	-	-	-	-	(12,867,194)	(12,867,194)
Total Costs Classified	\$ 62,413,350	\$ 552,610,174	\$ 70,677,775	\$ 186,377,671	\$ (12,867,194)	\$ 859,211,775

Metropolitan Water District
 Cost of Service Model
 Schedule B-5
 Summary of Functional Allocations by Type of Allocation Basis

<u>Primary Functional Allocation Bases</u>	Estimated for FY 2003	% of Allocated Dollars
Direct Assignment	\$ 537,703,849	41.1%
Work in Process/Net Book Value	466,402,511	35.7%
Pro-Rating	263,406,153	20.1%
Manager Analysis	39,966,215	3.1%
Total Dollars Allocated	\$ 1,307,478,729	100.0%

Portion of Above Allocations Relating to:

Revenue Requirements before Offsets	1,083,345,252
Revenue Offsets	224,133,477
Total Dollars Allocated	\$ 1,307,478,729

Metropolitan Water District
 Cost of Service Model
 Schedule B-6
 Fixed Asset Net Book Values Summarized by Function

<u>Functional Categories</u>	NBV for FY 2003	% of Total NBV
Source of Supply	\$ 69,853,669	1.3%
Conveyance & Aqueduct	563,975,892	10.8%
Storage	2,091,379,801	40.1%
Treatment	840,329,212	16.1%
Distribution	1,348,719,168	25.9%
Demand Management		0.0%
Administrative & General	158,995,291	3.1%
Hydro-electric	139,707,338	2.7%
Total Fixed Assets Net Book Value:	\$ 5,212,960,371	100.0%

Metropolitan Water District
 Cost of Service Model
 Schedule B-7

Functional Allocation Summary (by budget line item, collapsed subfunctions)

FY 2003	Source of Supply	Conveyance & Aqueduct	Storage	Treatment	Distribution	Demand Management	Administrative & General	Hydro-Electric	Total \$ Allocated	
<u>Departmental Operations & Maintenance</u>										
	Office of the General Manager	\$ 197,411	\$ 447,941	\$ 230,347	\$ 970,106	\$ 748,520	\$ 40,218	\$ 1,705,438	\$ 27,651	\$ 4,367,632
	External Affairs	0	0	0	0	0	0	11,470,900	0	11,470,900
	Water Systems Operations	1,427,857	14,981,320	1,644,317	45,925,141	29,839,140	0	896,199	0	94,713,974
	Chief Financial Officer	0	0	0	0	0	0	7,573,799	0	7,573,799
	Corporate Resources	1,566,063	5,851,445	8,785,680	10,384,617	10,160,528	255,461	21,088,505	659,355	58,751,653
	Water Resource Management	6,846,733	1,595,519	235,206	246,615	728,289	2,015,100	838,638	0	12,506,100
	General Counsel	0	0	0	0	0	0	6,198,873	0	6,198,873
	Audit Department	0	0	0	0	0	0	956,282	0	956,282
	Total Departmental O&M	10,038,064	22,876,226	10,895,549	57,526,479	41,476,476	2,310,779	49,832,433	1,583,206	196,539,212
<u>General District Requirements</u>										
	State Water Project	46,351,137	291,864,589	3,870,913	0	0	0	0	0	342,086,639
	Colorado River Aqueduct	0	58,788,610	0	0	0	0	0	0	58,788,610
	Net Deposit to Water Transfer Fund	45,000,000	0	0	0	0	0	0	0	45,000,000
	Water Management Programs	0	0	0	0	0	41,116,787	0	0	41,116,787
	Capital Financing Program	4,105,184	50,113,217	128,431,923	62,121,972	123,191,740	0	8,877,877	7,576,233	384,418,145
	Water Quality Exchange and Transfers	0	0	0	0	0	0	0	0	0
	Operating Equipment and Leases	998,763	3,686,897	2,251,823	3,923,664	3,338,668	143,477	4,168,817	162,175	18,674,283
	Increase (Decrease) in Required Reserves	(343,221)	(1,915,716)	(89,878)	(350,143)	(252,453)	(14,065)	(303,312)	(9,636)	(3,278,425)
	Total General District Requirements	96,111,862	402,537,597	134,464,780	65,695,493	126,277,956	41,246,199	12,743,381	7,728,771	886,806,040
	Revenue Offsets	(6,009,904)	(73,065,675)	(35,426,769)	(20,860,073)	(60,945,001)	(1,548,506)	(3,585,322)	(22,692,228)	(224,133,477)
	Net Revenue Requirements	\$ 100,140,022	\$ 352,348,149	\$ 109,933,560	\$ 102,361,899	\$ 106,809,431	\$ 42,008,473	\$ 58,990,493	\$ (13,380,251)	\$ 859,211,775

Metropolitan Water District
 Cost of Service Model
 Schedule B-8
 Detailed Summary of Cost Classifications (by budget line Item)
 (Includes Administrative and General Costs)

FY 2003

DEPARTMENTAL BUDGETS

(by Group/Section)

Office of the Chief Executive Officer

Office of Chief Executive Officer	\$ 3,604,481	\$ (786,856)	\$ 2,817,626	\$ -	\$ 2,679,580	\$ 108,780	\$ -	\$ 29,266	\$ 2,817,626
Board of Directors	763,150	(763,150)	-	-	-	-	-	-	0
Subtotal: Office of the Chief Executive Officer	4,367,632	(1,550,006)	2,817,626	-	2,679,580	108,780	-	29,266	2,817,626

External Affairs

Legislative Services	2,687,700	(2,687,700)	-	-	-	-	-	-	-
Media Services	2,285,900	(2,285,900)	-	-	-	-	-	-	-
Office of Manager	1,008,900	(1,008,900)	-	-	-	-	-	-	-
Customer and Community	5,488,400	(5,488,400)	-	-	-	-	-	-	-
Subtotal: External Affairs	11,470,900	(11,470,900)	-	-	-	-	-	-	-

Water Systems Operations

	Total Costs to Be Classified	A&G Cost Redistribution	Adjusted Costs	Classification Categories					Total Costs Classified
				Fixed			Variable Commodity	Hydro-Electric	
				Demand	Commodity	Standby			
Office of Manager, A & G	4,409,500	257,447	4,666,947	-	4,594,916	27,941	-	44,090	4,666,947
Office of Manager, Conveyance and Distribution (C&A)	140,490	8,202	148,692	-	144,257	-	-	4,436	148,692
Office of the Manager, Treatment Section	154,644	9,029	163,673	-	163,673	-	-	-	163,673
Office of the Manager, Operations Support Services	292,752	17,092	309,844	-	305,062	1,855	-	2,927	309,844
Operations Support Services, Construction Services Unit	4,230,690	247,008	4,477,698	-	4,432,921	44,777	-	-	4,477,698
C&D CRA Unit	9,893,405	577,623	10,471,028	-	10,471,028	-	-	-	10,471,028
C&D System Operations	2,719,374	158,770	2,878,144	-	2,878,144	-	-	-	2,878,144
Treatment Jensen	5,398,224	315,174	5,713,398	-	4,187,563	-	1,525,835	-	5,713,398
Treatment Diemer	8,406,413	490,806	8,897,219	-	4,053,955	-	4,843,263	-	8,897,219
Treatment Mills	4,322,033	252,341	4,574,374	-	2,917,434	-	1,656,939	-	4,574,374
Treatment Skinner	7,509,905	438,464	7,948,369	-	4,389,532	-	3,558,837	-	7,948,369
Treatment Weymouth	7,148,206	417,346	7,565,552	-	4,589,786	-	2,975,766	-	7,565,552
Water Quality Monitoring	10,858,366	633,962	11,492,328	-	11,045,948	446,381	-	-	11,492,328
C & D, Eastern Unit	8,356,831	487,911	8,844,742	-	8,402,505	-	-	442,237	8,844,742
C & D, Western Unit	6,277,489	366,509	6,643,998	-	6,311,798	-	-	332,200	6,643,998
OSS, Maintenance Support Unit	2,891,892	168,842	3,060,734	-	3,012,040	18,832	-	29,863	3,060,734
OSS, Environmental Support Unit	3,775,766	220,447	3,996,213	-	3,932,635	24,588	-	38,990	3,996,213
OSS, Fleet Maintenance	4,373,482	255,344	4,628,826	-	4,555,184	28,480	-	45,162	4,628,826
OSS, Power Support Unit	2,719,939	158,803	2,878,742	-	2,878,742	-	-	-	2,878,742
OSS, A&G (Project Support Team)	834,573	48,726	883,299	-	869,246	5,435	-	8,618	883,299
Subtotal: Water System Operations	94,713,974	5,529,846	100,243,821	-	84,136,368	598,288	14,560,641	948,524	100,243,821

Chief Financial Officer

Office of the CFO	7,573,799	(7,573,799)	-	-	-	-	-	-	-
Subtotal: Chief Financial Officer	7,573,799	(7,573,799)	-	-	-	-	-	-	-

FY 2003

Corporate Resources

Business Services
 Asset Management
 Engineering Services
 Human Resources
 Information Technology
 Office of Manager
 Subtotal: Corporate Resources

Water Resource Management

Resource Planning
 Resource Implementation
 Office of Manager
 Subtotal: Water Resource Management

Legal Department

Audit Department

Total Departmental O&M

GENERAL DISTRICT REQUIREMENTS

State Water Project

Existing Capital Costs
Transmission
Delta-Water Charge (Supply)
 Future Capital Costs
Transmission
Delta-Water Charge (Supply)
 Off-Aqueduct
 Variable Power Cost
Power
Transmission
Bay-Delta (Supply)
 Subtotal: SWP

Colorado River Aqueduct

Power Cost
 CRA Supply Programs
 IID 1

Total Costs to Be Classified	Redistribution of A&G Costs		Classification Categories					Total Costs Classified
	A&G Cost Redistribution	Adjusted Costs	Fixed			Variable Commodity	Hydro-Electric	
			Demand	Commodity	Standby			
10,830,163	(10,830,163)	-	-	-	-	-	-	-
2,300,646	(610,815)	1,689,831	-	1,310,037	325,869	-	53,925	1,689,831
18,385,366	555,820	18,941,186	-	14,765,268	3,734,203	-	441,715	18,941,186
10,626,417	(3,049,161)	7,577,256	-	7,385,725	110,673	-	80,858	7,577,256
15,948,223	(4,576,209)	11,372,014	-	11,084,562	166,099	-	121,353	11,372,014
660,839	(379,026)	281,813	-	281,813	-	-	-	281,813
58,751,653	(18,889,554)	39,862,100	-	34,827,405	4,336,844	-	697,851	39,862,100
5,103,300	(253,630)	4,849,670	-	4,787,782	61,888	-	-	4,849,670
5,597,500	326,808	5,924,308	-	5,924,308	-	-	-	5,924,308
1,805,300	(230,614)	1,574,686	-	1,554,637	20,049	-	-	1,574,686
12,506,100	(157,436)	12,348,664	-	12,266,727	81,936	-	-	12,348,664
6,198,873	(6,198,873)	-	-	-	-	-	-	-
956,282	(956,282)	-	-	-	-	-	-	-
196,539,212	(41,267,003)	155,272,210	-	133,910,080	5,125,848	14,560,641	1,675,641	155,272,210
132,181,162	7,717,357	139,898,519	38,378,933	76,757,866	24,761,720	-	-	139,898,519
20,659,869	1,206,220	21,866,090	-	21,866,090	-	-	-	21,866,090
1,210,548	70,677	1,281,225	-	1,281,225	-	-	-	1,281,225
83,156,182	4,855,048	88,011,230	-	88,011,230	-	-	-	88,011,230
24,480,720	1,429,299	25,910,019	-	25,910,019	-	-	-	25,910,019
68,829,448	4,018,586	72,848,034	-	4,096,915	-	68,751,119	-	72,848,034
59,608,711	3,480,236	63,088,947	-	-	-	63,088,947	-	63,088,947
(14,707,000)	-	(14,707,000)	-	-	-	(14,707,000)	-	(14,707,000)
(33,333,000)	-	(33,333,000)	(9,144,378)	(18,288,757)	(5,899,865)	-	-	(33,333,000)
-	-	-	-	-	-	-	-	-
342,086,639	22,777,425	364,864,064	29,234,555	199,634,589	18,861,854	117,133,066	-	364,864,064
58,788,610	3,432,355	62,220,965	-	-	-	62,220,965	-	62,220,965
-	-	-	-	-	-	-	-	-

Metropolitan Water District
 Cost of Service Model
 Schedule B-8
 Detailed Summary of Cost Classifications (by budget line Item)
 (Includes Administrative and General Costs)

FY 2003	Redistribution of A&G Costs			Classification Categories				Total Costs Classified	
	Total Costs to Be Classified	A&G Cost Redistribution	Adjusted Costs	Fixed			Variable Commodity		Hydro-Electric
				Demand	Commodity	Standby			
Other # 1	-	-	-	-	-	-	-	-	0
All American and Coachella Canal Lining O&M	-	-	-	-	-	-	-	-	0
Other # 2	-	-	-	-	-	-	-	-	0
Storage Programs	-	-	-	-	-	-	-	-	-
Subtotal: Colorado River Aqueduct	58,788,610	3,432,355	62,220,965	-	-	-	62,220,965	-	62,220,965
Deposit to Water Transfer Fund	45,000,000	2,627,311	47,627,311	-	47,627,311	-	-	-	47,627,311
Water Management Programs									
Local Resources Program	26,773,187	1,563,144	28,336,331	-	28,336,331	-	-	-	28,336,331
Conservation Credits Program	14,343,600	837,447	15,181,047	-	15,181,047	-	-	-	15,181,047
Subtotal: WMP	41,116,787	2,400,591	43,517,378	-	43,517,378	-	-	-	43,517,378
Capital Financing Program									
Rev Bond D/S & Increase in I&P Fund	177,694,682	5,372,006	183,066,688	53,178,457	83,627,744	41,991,313	-	4,269,174	183,066,688
G.O. Bond Debt Service	50,663,386	2,957,966	53,621,352	29,376,520	23,977,204	267,628	-	-	53,621,352
Non-Rev. Bond Var. Rate Debt Int. Pmts.	-	-	-	-	-	-	-	-	-
Debt Defeasance/Tender	20,960,077	633,658	21,593,735	6,272,695	9,864,358	4,953,109	-	503,573	21,593,735
Paygo From Annual Operating Revenues	135,100,000	4,084,298	139,184,298	40,431,202	63,581,578	31,925,696	-	3,245,822	139,184,298
Subtotal: Capital Program	384,418,145	13,047,927	397,466,073	129,258,874	181,050,884	79,137,745	-	8,018,569	397,466,073
Water Quality Exchange and Transfers	-	-	-	-	-	-	-	-	-
Other Operating Costs									
Operating Equipment	10,699,000	(2,362,452)	8,336,548	-	7,928,111	321,848	-	86,589	8,336,548
Other	-	-	-	-	-	-	-	-	0
Leases	720,000	(720,000)	-	-	-	-	-	-	-
EDMS Start-up	-	-	-	-	-	-	-	-	0
Water Standby Administration	-	-	-	-	-	-	-	-	-
Association Dues	1,002,000	(221,252)	780,748	-	742,496	30,142	-	8,109	780,748
Debt Administration	2,800,000	84,649	2,884,649	-	2,248,677	568,701	-	67,271	2,884,649
Insurance	1,100,000	(43,488)	1,056,512	-	1,042,622	10,468	-	3,422	1,056,512
Contingency	2,009,533	(79,446)	1,930,087	-	1,904,712	19,124	-	6,252	1,930,087
Miscellaneous Other O&M	-	-	-	-	-	-	-	-	0
P-1 Pumping Plant	343,750	20,070	363,820	-	363,820	-	-	-	363,820
Subtotal: Leases And Operating Equipment	18,674,283	(3,321,920)	15,352,364	-	14,230,438	950,283	-	171,643	15,352,364
Increase/(Decrease) in Required Reserves	(3,278,425)	303,312	(2,975,113)	(367,192)	(1,727,724)	(145,221)	(725,339)	(9,636)	(2,975,113)
Total General District Requirements	886,806,040	41,267,003	928,073,042	158,126,237	484,332,876	98,804,662	178,628,692	8,180,576	928,073,042
REQUIREMENTS BEFORE OFFSETS:	1,083,345,252	-	#####	158,126,237	618,242,956	103,930,509	193,189,333	9,856,216	#####
Revenue Offsets									
Property Tax Revenues	100,924,434	-	100,924,434	74,305,061	8,861,467	17,757,907	-	-	100,924,434
Interest	38,364,469	-	38,364,469	6,412,048	20,909,078	4,131,524	6,561,419	350,401	38,364,469

FY 2003

	Redistribution of A&G Costs		Classification Categories					Total Costs Classified	
	Total Costs to Be Classified	A&G Cost Redistribution	Adjusted Costs	Fixed			Variable Commodity		Hydro-Electric
				Demand	Commodity	Standby			
Hydro-Power Revenues	21,200,000	-	21,200,000	-	-	-	-	21,200,000	21,200,000
Other Revenues	-	-	-	-	-	-	-	-	0
<i>Water Quality Division Revenue Generation</i>	-	-	-	-	-	-	-	-	-
<i>All Other</i>	-	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-	0
DVL Fill Power Costs from Transfer Fund	10,724,663	-	10,724,663	-	10,724,663	-	-	-	10,724,663
PAYG from Prior Period Revenues	50,100,000	0	50,100,000	14,606,288	22,975,100	11,124,660	245,091	1,148,861	50,100,000
Other	-	-	-	-	-	-	-	-	0
SDCWA/MWD Exchange Agreement	1,619,910	-	1,619,910	-	1,619,910	-	-	-	1,619,910
Wheeling	-	-	-	-	-	-	-	-	0
Growth Charge/Annexation Revenues	1,200,000	-	1,200,000	389,491	542,564	238,644	5,152	24,149	1,200,000
Subtotal: Revenue Offsets	224,133,477	0	224,133,477	95,712,887	65,632,783	33,252,735	6,811,662	22,723,410	224,133,477
NET REVENUE REQUIREMENTS:	859,211,775	\$ (0)	\$859,211,775	\$ 62,413,350	\$ 552,610,174	\$ 70,677,775	\$ 186,377,671	\$ (12,867,194)	\$859,211,775

Service Function by Classification Category	Total Classified Service Function Costs	Rate Design Elements							Total Costs Allocated
		Supply Rates	System Access Rate	Water Stewardship Rate	System Power Rate	Capacity Reservation Charge	Readiness-to-Serve Charge	Treatment Surcharge	
Supply									
Fixed Demand	\$ -								\$ -
Fixed Commodity	106,539,115	106,539,115							106,539,115
Fixed Standby	-								-
Variable Commodity	-								-
Hydroelectric	-								-
Subtotal: Supply	106,539,115	106,539,115	-	-	-	-	-	-	106,539,115
Conveyance and Aqueduct									
Fixed Demand	10,989,012						10,989,012		10,989,012
Fixed Commodity	184,674,067		184,674,067						184,674,067
Fixed Standby	8,155,003						8,155,003		8,155,003
Variable Commodity	171,818,536				171,818,536				171,818,536
Hydroelectric	-								-
Subtotal: Conveyance and Aqueduct	375,636,618	-	184,674,067	-	171,818,536	-	19,144,015	-	375,636,618
Storage									
Fixed Demand	6,466,444					6,466,444			6,466,444
Fixed Commodity	49,904,179	43,174,500	6,729,679						49,904,179
Fixed Standby	62,522,772						62,522,772		62,522,772
Variable Commodity	-								-
Hydroelectric	-								-
Subtotal: Storage	118,893,395	43,174,500	6,729,679	-	-	6,466,444	62,522,772	-	118,893,395
Treatment									
Fixed Demand	24,208,458							24,208,458	24,208,458
Fixed Commodity	72,157,159							72,157,159	72,157,159
Fixed Standby	-							-	-
Variable Commodity	14,559,135							14,559,135	14,559,135
Hydroelectric	-							-	-
Subtotal: Treatment	110,924,752	-	-	-	-	-	-	110,924,752	110,924,752
Distribution									
Fixed Demand	20,749,436					20,749,436			20,749,436
Fixed Commodity	94,642,778		94,642,778						94,642,778
Fixed Standby	-								-
Variable Commodity	-								-
Hydroelectric	(12,867,194)		(12,867,194)						(12,867,194)
Subtotal: Distribution	102,525,019	-	81,775,584	-	-	20,749,436	-	-	102,525,019
Demand Management									
Fixed Demand	-								-
Fixed Commodity	44,692,875			44,692,875					44,692,875
Fixed Standby	-								-
Variable Commodity	-								-
Hydroelectric	-								-
Subtotal: Demand Management	44,692,875	-	-	44,692,875	-	-	-	-	44,692,875
Total									
Fixed Demand	62,413,350	-	-	-	-	27,215,880	10,989,012	24,208,458	62,413,350
Fixed Commodity	552,610,174	149,713,615	286,046,524	44,692,875	-	-	-	72,157,159	552,610,174
Fixed Standby	70,677,775	-	-	-	-	-	70,677,775	-	70,677,775
Variable Commodity	186,377,671	-	-	-	171,818,536	-	-	14,559,135	186,377,671
Hydroelectric	(12,867,194)	-	(12,867,194)	-	-	-	-	-	(12,867,194)
Total	\$ 859,211,775	\$ 149,713,615	\$ 273,179,331	\$ 44,692,875	\$ 171,818,536	\$ 27,215,880	\$ 81,666,786	\$ 110,924,752	\$ 859,211,775

FY 2003
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DEPARTMENTAL BUDGETS

(by Group/Section)

Office of the Chief Executive Officer

Office of Chief Executive Officer	\$ 4,227,400	\$ 120,000	\$ -	\$ -	\$ 381,900	\$ (1,124,819)	\$ 3,604,481
Subtotal: Office of the Chief Executive Officer	4,675,700	230,000	0	0	824,900	(1,362,968)	4,367,632

External Affairs

Legislative Services	1,179,300	930,000	0	0	578,400	0	2,687,700
Media Services	1,112,800	390,000	0	0	783,100	0	2,285,900
Office of Manager	911,900	0	0	0	97,000	0	1,008,900
Customer and Community	2,604,200	235,500	0	0	2,648,700	0	5,488,400
	0	0	0	0	0	0	0
Subtotal: External Affairs	5,808,200	1,555,500	0	0	4,107,200	0	11,470,900

Water Systems Operations

Office of Manager, A & G	3,869,000	200,000	0	0	340,500	0	4,409,500
Office of Manager, Conveyance and Distribution (C&A)	134,490	0	0	0	6,000	0	140,490
Office of the Manager, Treatment Section	149,644	0	0	0	5,000	0	154,644
Office of the Manager, Operations Support Services	219,852	50,000	0	0	22,900	0	292,752
Operations Support Services, Construction Services Unit	2,963,090	880,300	31,000	0	356,300	0	4,230,690
C&D CRA Unit	7,072,905	561,700	61,100	200,800	1,996,900	0	9,893,405
C&D System Operations	2,323,474	127,100	60,000	0	208,800	0	2,719,374
Treatment Jensen	3,695,260	261,300	527,561	749,863	164,240	0	5,398,224
Treatment Diemer	3,630,323	200,000	2,553,904	1,859,126	163,060	0	8,406,413
Treatment Mills	2,601,897	154,600	734,406	756,437	74,693	0	4,322,033
Treatment Skinner	3,970,888	176,500	1,259,068	1,904,561	198,888	0	7,509,905
Treatment Weymouth	4,108,595	228,000	1,431,787	1,340,088	39,735	0	7,148,206
Water Quality Monitoring	8,505,866	1,126,000	330,000	0	896,500	0	10,858,366
Subtotal: Water System Operations	60,614,456	6,643,500	11,324,427	7,030,575	9,101,016	0	94,713,974

Chief Financial Officer

Office of the CFO	4,801,200	2,198,000	0	0	759,900	(185,301)	7,573,799
Subtotal: Chief Financial Officer	4,801,200	2,198,000	0	0	759,900	(185,301)	7,573,799

Corporate Resources

Business Services	9,781,612	1,755,000	1,109,300	0	1,563,915	(3,379,664)	10,830,163
Asset Management	1,664,646	356,500	0	0	279,500	0	2,300,646
Engineering Services	15,226,108	1,929,700	90,000	0	1,139,558	0	18,385,366
Human Resources	6,860,225	5,474,250	0	0	1,608,032	(3,316,090)	10,626,417
Information Technology	14,378,594	871,400	12,000	0	5,663,039	(4,976,810)	15,948,223
Office of Manager	836,559	0	0	0	58,600	(234,320)	660,839
Subtotal: Corporate Resources	48,747,744	10,386,850	1,211,300	0	10,312,644	(11,906,885)	58,751,653

Water Resource Management

Resource Planning	3,885,700	810,000	0	0	407,600	0	5,103,300
Resource Implementation	3,613,100	1,668,500	0	0	315,900	0	5,597,500
Office of Manager	1,548,400	0	0	0	256,900	0	1,805,300
Subtotal: Water Resource Management	9,047,200	2,478,500	0	0	980,400	0	12,506,100

Legal Department

	4,741,400	2,963,000	0	0	428,900	(1,934,427)	6,198,873
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Audit Department

	1,113,700	75,000	0	0	66,000	(298,418)	956,282
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Total Departmental O&M

	139,549,600	26,530,350	12,535,727	7,030,575	26,580,960	(15,688,000)	196,539,212
							185,265,332
							199,022,750
							(2,483,538)

GENERAL DISTRICT REQUIREMENTS

State Water Project

Existing Capital Costs							
Transmission							132,181,162
Delta-Water Charge (Supply)							20,659,869
Future Capital Costs							1,210,548
Minimum OMP&R							
Transmission							83,156,182
Delta-Water Charge (Supply)							24,480,720
Bay Delta Category III Funding							0
Off-Aqueduct							68,829,448
Variable Power Cost							59,608,711
SWP Credits							
Power							(14,707,000)
Transmission							(33,333,000)
Bay-Delta (Supply)							0
Subtotal: SWP							342,086,639

Colorado River Aqueduct

Power Cost							58,788,610
CRA Supply Programs							
IID # 1							0
Other # 1							0
All American and Coachella Canal Lining O&M							0
Other # 2							0
Storage Programs							0
Subtotal: Colorado River Aqueduct							58,788,610

Deposit to Water Transfer Fund

							45,000,000
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Water Management Programs

Local Resources Program							26,773,187
Conservation Credits Program							14,343,600
Subtotal: WMP							41,116,787

Capital Financing Program

Rev Bond D/S & Increase in I&P Fund							177,694,682
G.O. Bond Debt Service							50,663,386
Non-Rev. Bond Var. Rate Debt Int. Pmts.							0
Debt Defeasance/Tender							20,960,077
Paygo From Annual Operating Revenues							135,100,000
Subtotal: Capital Program							384,418,145

Water Quality Exchange and Transfers

							0
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FY 2003
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Other Operating Costs
 Operating Equipment
 Other
 Leases
 EDMS Start-up
 Water Standby Administration
 Association Dues
 Debt Administration
 Insurance
 Contingency
 Miscellaneous Other O&M
 Subtotal: Leases And Operating Equipment

Increase/(Decrease) in Required Reserves

Total General District Requirements

REQUIREMENTS BEFORE OFFSETS:

Revenue Offsets

Property Tax Revenues
 Interest
 Hydro-Power Revenues
 Other Revenues
Water Quality Division Revenue Generation
All Other
 Miscellaneous Revenues
 DVL Fill Power Costs from Transfer Fund
 PAYG from Prior Period Revenues
 Other
 SDCWAMWD Exchange Agreement
 Wheeling
 Growth Charge/Annexation Revenues
 Subtotal: Revenue Offsets

NET REVENUE REQUIREMENTS:

Labor And Labor	Outside Services	Utilities	Chemicals	Other O&M	O&M Capitalization	Projected Total To Be
						10,699,000
						0
						720,000
						0
						0
						1,002,000
						2,800,000
						1,100,000
						2,009,533
						0
						18,674,283
						(3,278,425)
						886,806,040
						1,083,345,252
						100,924,434
						38,364,469
						21,200,000
						0
						0
						0
						10,724,663
						50,100,000 (1)
						0
						1,619,910 (1)
						0 (1)
						1,200,000 (1)
						224,133,477
						\$ 859,211,775

0.00%	1.000	1.000	1.000	1.000	1.000	1.000	859,211,000
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(1) The cost of service process handles this item as a rate structure component rather than as a revenue offset. Therefore, it is excluded from the cost of service process until the service class allocation step. 775

FY 2003

	Source of Supply			Conveyance & Appeduct				Storage			Treatment					Distribution	Demand Management	Administrative & General	Hydro-Electric	Total \$ Allocated			
	CRA	SWP	Other Supply	CRA		State Water Project		Other Conv. & Appeduct	Storage Costs Other Than Power			Jensen	Weymouth	Diemer	Mills						Skinner		
				Power	All Other	SWP Power	SWP All Other		Emergency	Drought	Regulatory												
Water Quality Exchange and Transfers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Other Operating Costs																							
Operating Equipment	74,349	219,918	289,814	159,870	855,738	70,184	75,792	164,045	304,093	256,269	121,128	40	994,183	606,020	580,476	465,650	623,938	2,214,656	118,993	2,822,329	81,813	10,699,000	
Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	720,000	0	720,000
EDMS Start-up	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Water Standby Administration	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Association Dues	6,963	20,596	27,142	14,944	80,143	6,573	7,998	15,363	24,479	24,001	11,244	4	55,647	56,756	54,364	43,610	58,434	207,411	11,144	264,321	7,662	1,002,000	
Debt Administration	0	0	34,440	3,080	60,200	0	0	357,139	537,329	439,074	101,064	0	143,920	38,920	42,000	128,800	98,840	677,155	0	74,480	63,560	2,800,000	
Insurance	2,832	102,235	10,094	5,371	30,704	226,788	374,640	5,271	9,891	8,383	4,006	7,907	21,477	24,511	27,524	17,780	26,191	84,705	4,719	101,769	3,233	1,100,000	
Contingency	5,173	186,767	18,440	9,813	56,091	414,308	684,410	9,629	18,069	15,259	7,319	14,445	39,235	44,777	50,281	32,482	47,848	154,743	8,621	185,917	5,907	2,009,533	
Miscellaneous Other O&M	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal: Leases And Operating Equipment	89,317	529,516	379,931	192,779	1,082,876	717,854	1,141,940	551,448	897,861	742,955	244,862	366,145	854,462	770,983	784,645	688,322	855,252	3,338,668	143,477	4,169,817	162,175	18,674,283	
Increase/(Decrease) in Required Reserves	(8,439)	(304,698)	(30,084)	(16,009)	(91,510)	(675,917)	(1,116,571)	(15,710)	(29,478)	(24,894)	(11,941)	(23,945)	(64,010)	(73,051)	(82,031)	(52,992)	(78,000)	(252,453)	(14,088)	(303,312)	(9,606)	(3,278,428)	
Total General District Requirements	80,878	46,575,954	49,455,000	59,332,510	8,167,094	109,002,182	182,026,713	43,106,698	64,916,975	53,054,805	12,279,507	4,213,492	20,549,545	6,041,344	6,438,886	18,318,565	14,347,152	126,277,956	41,246,199	12,743,381	7,728,771	886,806,040	
REQUIREMENTS BEFORE OFFSETS:	1,467,352	59,284,957	54,397,617	61,962,716	23,201,582	111,091,075	183,471,319	45,687,131	69,766,061	57,144,695	14,241,326	4,214,248	31,065,930	18,043,192	19,916,062	27,624,771	27,172,017	167,754,432	43,556,978	62,875,814	9,311,977	1,683,345,252	
Revenue Offsets																							
Property Tax Revenues	0	0	0	0	0	0	50,261,048	0	0	0	0	0	2,404,898	704,221	759,951	2,230,516	1,788,418	42,476,183	0	0	0	100,024,434	
Interest	52,166	1,787,694	1,933,904	2,202,853	824,846	3,949,428	6,522,637	1,624,235	2,480,058	2,031,566	506,297	0	1,104,433	641,458	708,041	901,765	965,999	5,963,882	1,548,506	2,224,649	331,063	38,364,469	
Hydro-Power Revenues	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	21,200,000	0	21,200,000
Other Revenues	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Water Quality Division Revenue Generation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
All Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PAYG from Prior Period Revenues	0	0	616,230	55,110	1,077,150	0	0	6,390,246	9,614,348	7,856,280	1,808,316	0	2,575,140	696,390	751,500	2,304,600	1,768,530	12,116,230	0	1,332,660	1,137,276	50,100,000	
Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SDCWA/MWD Exchange Agreement	0	0	1,619,910	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,619,910	0
Wheeling	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Growth Charge/Amortization Revenues	0	0	0	1,158	22,642	0	0	134,322	202,092	165,138	38,011	0	62,346	16,860	18,194	55,796	42,817	388,706	0	28,012	23,905	1,200,000	
Subtotal: Revenue Offsets	52,166	1,787,694	4,170,044	2,259,121	1,024,637	3,949,428	56,783,685	8,148,803	12,296,499	10,082,984	2,352,623	10,724,663	6,346,017	2,058,929	2,237,686	5,651,676	4,565,764	60,945,001	1,548,506	3,585,322	22,692,228	224,133,477	
NET REVENUE REQUIREMENTS:	\$1,415,186	\$48,497,263	\$50,227,573	\$59,703,595	\$21,276,945	\$107,141,647	\$126,687,634	\$37,538,328	\$57,463,563	\$47,091,711	\$11,888,702	\$6,510,415	\$24,719,913	\$15,984,263	\$17,678,375	\$21,373,095	\$22,666,253	\$166,809,431	\$42,088,473	\$58,996,493	\$13,380,251	\$859,211,775	

Cost of Service Model

Schedule D-3

Facility Operating Criteria for Storage Functional Allocation Purposes

Storage Facilities	Operating Criteria (1)			Amount Allocated
	Emergency	Drought	Regulatory	
Diamond Valley Lake	50%	45%	5%	100%
Other Regulatory			100%	100%
Lake Skinner	76%	0%	24%	100%
Lake Mathews	43%	0%	57%	100%
Semi-Tropic		100%		100%
Arvin-Edison		100%		100%
CRA Off-Stream		100%		100%
Groundwater Conjunctive Use		100%		100%

(1) These numbers are to be applied to net book value percentages in arriving at functional allocation percentages

Metropolitan Water District
 Cost of Service Model
 Schedule D-4
 Functional Allocation of Labor Costs
 (to be used in developing weighted allocation percentages based on labor)

(based on labor)

FY 2003

DEPARTMENTAL BUDGETS

(by Group/Section)

Office of the Chief Executive Officer

Office of Chief Executive Officer
 Subtotal: Office of the Chief Executive Officer

External Affairs

Legislative Services
 Media Services
 Office of Manager
 Customer and Community
 Subtotal: External Affairs

Water Systems Operations

Office of Manager, A & G
 Office of Manager, Conveyance and Distribution (C&A)
 Office of the Manager, Treatment Section
 Office of the Manager, Operations Support Services
 Operations Support Services, Construction Services Unit
 C&D CRA Unit
 C&D System Operations
 Treatment Jensen
 Treatment Diemer
 Treatment Mills
 Treatment Skinner
 Treatment Weymouth
 Water Quality Monitoring
 Subtotal: Water System Operations

Chief Financial Officer

Office of the CFO
 Subtotal: Chief Financial Officer

Corporate Resources

Business Services
 Asset Management
 Engineering Services
 Human Resources
 Information Technology
 Office of Manager
 Subtotal: Corporate Resources

Water Resource Management

Resource Planning
 Resource Implementation
 Office of Manager
 Subtotal: Water Resource Management

	Source of Supply			Conveyance & Aqueduct				Other Conv. & Aqueduct	Storage			Treatment					Transmission	Customer Related	Administrative & General	Hydro- Electric	Total Allocated			
	CRA	SWP	Other Supply	CRA		State Water Project			Power	Storage Costs Other Than Power			Jensen	Weymouth	Diemer	Mills						Skinner		
				Power	All Other	Power	All Other			Emergency	Drought	Regulatory												
Office of Chief Executive Officer	29,472	87,174	114,881	63,253	339,210	27,821	30,044	65,026	120,541	101,584	48,015	16	235,531	240,223	230,098	184,581	247,326	877,877	47,168	1,105,131	32,430	4,227,400		
Subtotal: Office of the Chief Executive Officer	29,472	87,174	114,881	63,253	339,210	27,821	30,044	65,026	120,541	101,584	48,015	16	235,531	240,223	230,098	184,581	247,326	877,877	47,168	1,553,431	32,430	4,675,700		
Legislative Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,179,300	0	1,179,300		
Media Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,112,800	0	1,112,800		
Office of Manager	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	911,900	0	911,900		
Customer and Community	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,604,200	0	2,604,200		
Subtotal: External Affairs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5,808,200	0	5,808,200		
Office of Manager, A & G	0	0	58,509	88,017	494,211	29,339	0	0	23,164	23,164	21,052	0	317,233	404,638	467,482	263,480	422,704	1,219,455	0	0	36,552	3,869,000		
Office of Manager, Conveyance and Distribution (C&A)	0	0	0	0	54,247	0	0	0	0	0	0	0	0	0	0	0	0	76,231	0	0	4,012	134,490		
Office of the Manager, Treatment Section	0	0	0	0	0	0	0	0	0	0	0	0	24,640	32,628	38,371	19,728	34,278	0	0	0	0	149,644		
Office of the Manager, Operations Support Services	0	0	3,325	5,002	28,083	1,667	0	0	1,316	1,316	1,196	0	18,026	22,993	26,564	14,972	24,020	69,294	0	0	2,077	219,852		
Operations Support Services, Construction Services Unit	0	0	0	0	0	0	0	0	29,631	29,631	0	0	0	0	0	0	0	2,903,828	0	0	0	2,903,828		
C&D CRA Unit	0	0	0	0	7,072,905	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7,072,905	
C&D System Operations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,323,474	
Treatment Jensen	0	0	0	0	0	0	0	0	0	0	0	0	3,695,260	0	0	0	0	0	0	0	0	0	0	3,695,260
Treatment Diemer	0	0	0	0	0	0	0	0	0	0	0	0	0	3,630,323	0	0	0	0	0	0	0	0	0	3,630,323
Treatment Mills	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,601,897	0	0	0	0	0	0	0	0	2,601,897
Treatment Skinner	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3,970,888	0	0	0	0	0	0	0	3,970,888
Treatment Weymouth	0	0	0	0	0	0	0	0	0	0	0	0	0	4,108,595	0	0	0	0	0	0	0	0	0	4,108,595
Water Quality Monitoring	0	0	918,226	0	0	0	0	0	330,382	330,382	330,382	0	747,161	747,161	747,161	747,161	747,161	2,860,692	0	0	0	0	0	8,505,866
Subtotal: Water System Operations	0	0	1,098,389	1,671,868	8,653,870	557,289	0	0	431,339	431,339	395,205	0	5,446,108	6,137,291	5,888,787	4,181,876	6,057,012	19,194,605	0	0	499,479	0	60,614,456	
Office of the CFO	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4,801,200	0	0	4,801,200	
Subtotal: Chief Financial Officer	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4,801,200	0	0	4,801,200	
Business Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9,781,612	0	0	9,781,612	
Asset Management	0	0	19,208	1,909	35,195	0	0	112,172	222,777	195,036	57,219	0	73,612	17,896	24,458	62,755	53,330	242,807	0	0	509,407	36,866	1,664,646	
Engineering Services	0	0	187,281	16,749	327,361	0	0	1,942,087	2,921,938	2,387,636	549,573	0	782,622	211,643	228,392	700,401	537,482	3,682,296	0	0	405,014	345,633	15,226,108	
Human Resources	45,426	127,870	165,752	89,216	529,424	40,977	45,118	6,508	67,507	53,689	150,946	24	367,830	395,353	373,438	281,193	377,789	1,388,487	65,947	2,238,532	49,331	6,861,225		
Information Technology	95,210	268,007	347,405	186,991	1,109,639	85,885	94,565	13,802	141,491	112,529	316,373	50	770,949	828,635	782,703	589,363	791,822	2,910,180	138,221	4,691,401	103,374	14,378,594		
Office of Manager	0	0	0	0	163,448	0	0	0	0	0	0	0	34,724	34,724	34,724	34,724	34,724	0	0	0	499,400	0	836,559	
Subtotal: Corporate Resources	140,636	393,876	719,646	294,865	2,165,067	126,862	139,683	2,074,647	3,353,713	2,748,890	1,074,111	73	2,029,738	1,488,251	1,443,715	1,668,437	1,795,147	8,223,770	294,168	18,125,257	535,193	48,747,744		
Resource Planning	44,523	1,945,194	947,704	0	0	0	0	0	44,523	44,523	45,872	0	28,560	28,560	28,560	28,560	28,560	273,748	0	0	396,814	0	3,885,700	
Resource Implementation	643,063	186,217	596,398	0	0	138,869	747,445	0	0	0	0	392	0	0	0	0	0	0	1,300,716	0	0	0	3,613,100	
Office of Manager	112,062	253,981	303,101	51,325	3,446	64,592	71,408	0	16,247	16,247	16,705	37	10,133	10,133	10,133	10,133	10,133	316,284	0	0	272,302	0	1,548,400	
Subtotal: Water Resource Management	799,648	2,385,393	1,847,203	51,325	3,446	203,461	818,852	0	60,770	60,770	62,576	429	38,692	38,692	38,692	38,692	38,692	590,053	1,300,716	0	669,116	0	9,047,200	
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4,741,400	0	0	0	4,741,400
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,113,700	0	0	0	1,113,700

Total Labor	\$ 969,756	\$ 2,868,444	\$ 3,780,119	\$ 2,081,311	\$ 11,161,393	\$ 915,433	\$ 988,579	\$ 2,139,673	\$ 3,966,363	\$ 3,342,582	\$ 1,579,908	\$ 518	\$ 7,750,068	\$ 7,904,457	\$ 7,571,293	\$ 6,073,586	\$ 8,138,177	\$ 28,886,285	\$ 1,552,052	\$ 36,812,304	\$ 1,067,102	\$ 139,549,600
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Percentages of Above Allocated Labor Costs	0.7%	2.1%	2.7%	1.5%	8.0%	0.7%	0.7%	1.5%	2.8%	2.4%	1.1%	0.0%	5.6%	5.7%	5.4%	4.4%	5.8%	20.7%	1.1%	26.4%	0.8%	100.0%
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Total Labor for WSO Group Only	\$ -	\$ -	\$ 1,098,389	\$ 1,671,868	\$ 8,653,870	\$ 557,289	\$ -	\$ -	\$ 431,339	\$ 431,339	\$ 395,205	\$ -	\$ 5,446,108	\$ 6,137,291	\$ 5,888,787	\$ 4,181,876	\$ 6,057,012	\$ 19,194,605	\$ -	\$ -	\$ 499,479	\$ -	\$ 60,614,456
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Percentages of Allocated Labor Costs for WSO Division Only	0.0%	0.0%	1.8%	2.8%	14.3%	0.9%	0.0%	0.0%	0.7%	0.7%	0.7%	0.0%	9.0%	10.1%	9.7%	6.9%	10.0%	31.7%	0.0%	0.0%	0.8%	100.0%
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FY2003	Basis of Classification	Functional Allocations: Source of Supply CRA	Classification Percentages					% Total
			Fixed			Variable		
			Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS								
<i>(by Group/Section)</i>								
Office of the Chief Executive Officer								
	Office of Chief Executive Officer	\$ 25,129					0.0%	
	Board of Directors	0					0.0%	
	Subtotal: Office of the Chief Executive Officer	25,129	100.0%				100.0%	
External Affairs								
	Legislative Services	0					0.0%	
	Media Services	0					0.0%	
	Office of Manager	0					0.0%	
	Customer and Community	0					0.0%	
	Subtotal: External Affairs	0	100.0%				100.0%	
Water Systems Operations								
	Office of Manager, A & G	0	100.0%				100.0%	
	Office of Manager, Conveyance and Distribution (C&A)	0	100.0%				100.0%	
	Office of the Manager, Treatment Section	0	100.0%				100.0%	
	Office of the Manager, Operations Support Services	0	100.0%				100.0%	
	Operations Support Services, Construction Services Unit	0	100.0%				100.0%	
	C&D CRA Unit	0	100.0%				100.0%	
	C&D System Operations	0	100.0%				100.0%	
	Treatment Jensen	0	73.3%		26.7%		100.0%	
	Treatment Diemer	0	45.6%		54.4%		100.0%	
	Treatment Mills	0	63.8%		36.2%		100.0%	
	Treatment Skinner	0	55.2%		44.8%		100.0%	
	Treatment Weymouth	0	60.7%		39.3%		100.0%	
	Water Quality Monitoring	0	100.0%				100.0%	
	C & D, Eastern Unit	0	100.0%				100.0%	
	C & D, Western Unit	0	100.0%				100.0%	
	OSS, Maintenance Support Unit	0	100.0%				100.0%	
	OSS, Environmental Support Unit	0	100.0%				100.0%	
	OSS, Fleet Maintenance	0	100.0%				100.0%	
	OSS, Power Support Unit	0	100.0%				100.0%	
	OSS, A&G (Project Support Team)	0	100.0%				100.0%	
	Subtotal: Water System Operations	0					0.0%	
Chief Financial Officer								
	Office of the CFO	0					0.0%	
	Subtotal: Chief Financial Officer	0	100.0%				100.0%	
Corporate Resources								
	Business Services	0					0.0%	
	Asset Management	0					0.0%	
	Engineering Services	0					0.0%	
	Human Resources	70,364					0.0%	
	Information Technology	105,604					0.0%	
	Office of Manager	0					0.0%	
	Subtotal: Corporate Resources	175,968	100.0%				100.0%	
Water Resource Management								
	Resource Planning	58,474					0.0%	
	Resource Implementation	996,249					0.0%	
	Office of Manager	130,655					0.0%	
	Subtotal: Water Resource Management	1,185,377	100.0%				100.0%	
Legal Department								
		0	100.0%				100.0%	
Audit Department								
	Total Departmental O&M	1,386,474					0.0%	
GENERAL DISTRICT REQUIREMENTS								
State Water Project								
	Existing Capital Costs							
	Transmission	0					0.0%	
	Delta-Water Charge (Supply)	0					0.0%	
	Future Capital Costs	0					0.0%	
	Minimum OMP&R							
	Transmission	0					0.0%	
	Delta-Water Charge (Supply)	0					0.0%	
	Bay Delta Category III Funding	0					0.0%	
	Off-Aqueduct	0					0.0%	
	Variable Power Cost	0					0.0%	
	SWP Credits							
	Power	0					0.0%	
	Transmission	0					0.0%	
	Bay-Delta (Supply)	0					0.0%	
	Subtotal: SWP	0					0.0%	
Colorado River Aqueduct								
	Power Cost	0					0.0%	
	CRA Supply Programs							
	IID 1	0					0.0%	
	Other # 1	0					0.0%	
	All American and Coachella Canal Lining O&M	0					0.0%	
	Other # 2	0					0.0%	
	Storage Programs	0					0.0%	
	Subtotal: Colorado River Aqueduct	0	0.0%	100.0%		0.0%	100.0%	
Deposit to Water Transfer Fund								
		0		100.0%			100.0%	
Water Management Programs								

FY2003	Basis of Classification	Functional Allocations: Source of Supply CRA	Classification Percentages					% Total
			Fixed			Variable		
			Demand	Commodity	Standby	Commodity	Hydroelectric	
Local Resources Program		0						0.0%
Conservation Credits Program		0						0.0%
Subtotal: WMP		0						0.0%
Capital Financing Program								
Rev Bond D/S & Increase in I&P Fund		0						0.0%
G.O. Bond Debt Service		0						0.0%
Non-Rev. Bond Var. Rate Debt Int. Pmts.		0						0.0%
Debt Defeasance/Tender		0						0.0%
Paygo From Annual Operating Revenues		0						0.0%
Subtotal: Capital Program		0						0.0%
Water Quality Exchange and Transfers		0						0.0%
Other Operating Costs								
Operating Equipment		74,349		100.0%				100.0%
Other		0		100.0%				100.0%
Leases		0		100.0%				100.0%
EDMS Start-up		0		100.0%				100.0%
Water Standby Administration		0		100.0%				100.0%
Association Dues		6,963		100.0%				100.0%
Debt Administration		0		100.0%				100.0%
Insurance		2,832		100.0%				100.0%
Contingency		5,173		100.0%				100.0%
Miscellaneous Other O&M		0		100.0%				100.0%
P-1 Pumping Plant		0						0.0%
Subtotal: Leases And Operating Equipment		89,317						0.0%
Increase/(Decrease) in Required Reserves		(8,439)	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%
Total General District Requirements		80,878						
REQUIREMENTS BEFORE OFFSETS:		1,467,352						
Revenue Offsets								
Property Tax Revenues		0						0.0%
Interest		52,166	0.0%	100.0%		0.0%		100.0%
Hydro-Power Revenues		0						0.0%
Other Revenues		0						
<i>Water Quality Division Revenue Generation</i>		0						0.0%
<i>All Other</i>		0						0.0%
Miscellaneous Revenues		0	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%
DVL Fill Power Costs from Transfer Fund		0						0.0%
PAYG from Prior Period Revenues		0						0.0%
Other		0						0.0%
SDCWA/MWD Exchange Agreement		0		100.0%				100.0%
Wheeling		0						0.0%
Growth Charge/Annexation Revenues		0						0.0%
Subtotal: Revenue Offsets		52,166						0.0%
NET REVENUE REQUIREMENTS:		\$ 1,415,186						
Comparison check-sum (includes only visible line items)		\$ 1,415,186						
Check-sum difference (should be zero)		\$ -						
(if there is a check-sum error, the check-sum difference should provide a clue as to which line item is improperly hidden)								
Number of Negative Allocations (indicates an error)			0	0	0	0	0	

FY2003	Functional Allocations:	Classification Categories						Total
		Fixed			Variable	Customer	Hydroelectric	
		Demand	Commodity	Standby	Commodity			
DEPARTMENTAL BUDGETS <i>(by Group/Section)</i>								
Office of the Chief Executive Officer								
	Office of Chief Executive Officer	\$ 25,129	\$ -	\$ 25,129	\$ -	\$ -	\$ -	\$ 25,129
	Board of Directors	0	0	0	0	0	0	-
	Subtotal: Office of the Chief Executive	25,129	0	25,129	0	0	0	25,129
External Affairs								
	Legislative Services	0	0	0	0	0	0	0
	Media Services	0	0	0	0	0	0	0
	Office of Manager	0	0	0	0	0	0	0
	Customer and Community	0	0	0	0	0	0	0
	Subtotal: External Affairs	0	0	0	0	0	0	0
Water Systems Operations								
	Office of Manager, A & G	0	0	0	0	0	0	0
	Office of Manager, Conveyance and Distribut	0	0	0	0	0	0	0
	Office of the Manager, Treatment Section	0	0	0	0	0	0	0
	Office of the Manager, Operations Support Se	0	0	0	0	0	0	0
	Operations Support Services,Construction Ser	0	0	0	0	0	0	0
	C&D CRA Unit	0	0	0	0	0	0	0
	C&D System Operations	0	0	0	0	0	0	0
	Treatment Jensen	0	0	0	0	0	0	0
	Treatment Diemer	0	0	0	0	0	0	0
	Treatment Mills	0	0	0	0	0	0	0
	Treatment Skinner	0	0	0	0	0	0	0
	Treatment Weymouth	0	0	0	0	0	0	0
	Water Quality Monitoring	0	0	0	0	0	0	0
	C & D, Eastern Unit	0	0	0	0	0	0	0
	C & D, Western Unit	0	0	0	0	0	0	0
	OSS, Maintenance Support Unit	0	0	0	0	0	0	0
	OSS, Environmental Support Unit	0	0	0	0	0	0	0
	OSS, Fleet Maintenance	0	0	0	0	0	0	0
	OSS, Power Support Unit	0	0	0	0	0	0	0
	OSS, A&G (Project Support Team)	0	0	0	0	0	0	0
	Subtotal: Water System Operations	0	0	0	0	0	0	0
Chief Financial Officer								
	Office of the CFO	0	0	0	0	0	0	0
	Subtotal: Chief Financial Officer	0	0	0	0	0	0	0
Corporate Resources								
	Business Services	0	0	0	0	0	0	0
	Asset Management	0	0	0	0	0	0	0
	Engineering Services	0	0	0	0	0	0	0
	Human Resources	70,364	0	70,364	0	0	0	70,364
	Information Technology	105,604	0	105,604	0	0	0	105,604
	Office of Manager	0	0	0	0	0	0	0
	Subtotal: Corporate Resources	175,968	0	175,968	0	0	0	175,968
Water Resource Management								
	Resource Planning	58,474	0	58,474	0	0	0	58,474
	Resource Implementation	996,249	0	996,249	0	0	0	996,249
	Office of Manager	130,655	0	130,655	0	0	0	130,655
	Subtotal: Water Resource Management	1,185,377	0	1,185,377	0	0	0	1,185,377
Legal Department		0	0	0	0	0	0	0
Audit Department		0	0	0	0	0	0	0
	Total Departmental O&M	1,386,474	0	1,386,474	0	0	0	1,386,474
GENERAL DISTRICT REQUIREMENTS								
State Water Project								
	Existing Capital Costs							
	Transmission	0	0	0	0	0	0	0
	Delta-Water Charge (Supply)	0	0	0	0	0	0	0
	Future Capital Costs	0	0	0	0	0	0	0
	Minimum OMP&R							
	Transmission	0	0	0	0	0	0	0
	Delta-Water Charge (Supply)	0	0	0	0	0	0	0
	Bay Delta Category III Funding	0	0	0	0	0	0	0
	Off-Aqueduct	0	0	0	0	0	0	0
	Variable Power Cost	0	0	0	0	0	0	0
	SWP Credits							
	Power	0	0	0	0	0	0	0
	Transmission	0	0	0	0	0	0	0
	Bay-Delta (Supply)	0	0	0	0	0	0	0
	Subtotal: SWP	0	0	0	0	0	0	0
Colorado River Aqueduct								
	Power Cost	0	0	0	0	0	0	0
	CRA Supply Programs							
	IID 1	0	0	0	0	0	0	0
	Other # 1	0	0	0	0	0	0	0
	All American and Coachella Canal Lining C	0	0	0	0	0	0	0
	Other # 2	0	0	0	0	0	0	0
	Storage Programs	0	0	0	0	0	0	0
	Subtotal: Colorado River Aqueduct	0	0	0	0	0	0	0
Deposit to Water Transfer Fund		0	0	0	0	0	0	0
Water Management Programs								

FY2003	Functional Allocations:	Classification Categories						Total
		Fixed			Variable Commodity	Customer	Hydroelectric	
		Demand	Commodity	Standby				
	Source of Supply CRA							
	Local Resources Program	0	0	0	0	0	0	0
	Conservation Credits Program	0	0	0	0	0	0	0
	Subtotal: WMP	0	0	0	0	0	0	0
	Capital Financing Program							
	Rev Bond D/S & Increase in I&P Fund	0	0	0	0	0	0	0
	G.O. Bond Debt Service	0	0	0	0	0	0	0
	Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0	0
	Debt Defeasance/Tender	0	0	0	0	0	0	0
	Paygo From Annual Operating Revenues	0	0	0	0	0	0	0
	Subtotal: Capital Program	0	0	0	0	0	0	0
	Water Quality Exchange and Transfers	0	0	0	0	0	0	0
	Other Operating Costs							
	Operating Equipment	74,349	0	74,349	0	0	0	74,349
	Other	0	0	0	0	0	0	0
	Leases	0	0	0	0	0	0	0
	EDMS Start-up	0	0	0	0	0	0	0
	Water Standby Administration	0	0	0	0	0	0	0
	Association Dues	6,963	0	6,963	0	0	0	6,963
	Debt Administration	0	0	0	0	0	0	0
	Insurance	2,832	0	2,832	0	0	0	2,832
	Contingency	5,173	0	5,173	0	0	0	5,173
	Miscellaneous Other O&M	0	0	0	0	0	0	0
	P-1 Pumping Plant	0	0	0	0	0	0	0
	Subtotal: Leases And Operating Equipment	89,317	0	89,317	0	0	0	89,317
	Increase/(Decrease) in Required Reserves	(8,439)	0	(8,439)	0	0	0	(8,439)
	Total General District Requirements	80,878	0	80,878	0	0	0	80,878
	REQUIREMENTS BEFORE OFFSETS:	1,467,352	0	1,467,352	0	0	0	1,467,352
	Revenue Offsets							
	Property Tax Revenues	0	0	0	0	0	0	0
	Interest	52,166	0	52,166	0	0	0	52,166
	Hydro-Power Revenues	0	0	0	0	0	0	0
	Other Revenues	0	0	0	0	0	0	0
	Water Quality Division Revenue Generation	0	0	0	0	0	0	0
	All Other	0	0	0	0	0	0	0
	Miscellaneous Revenues	0	0	0	0	0	0	0
	DVL Fill Power Costs from Transfer Fund	0	0	0	0	0	0	0
	PAYG from Prior Period Revenues	0	0	0	0	0	0	0
	Other	0	0	0	0	0	0	0
	SDCWA/MWD Exchange Agreement	0	0	0	0	0	0	0
	Wheeling	0	0	0	0	0	0	0
	Growth Charge/Annexation Revenues	0	0	0	0	0	0	0
	Subtotal: Revenue Offsets	52,166	0	52,166	0	0	0	52,166
	NET REVENUE REQUIREMENTS:	\$ 1,415,186	\$ -	\$ 1,415,186	\$ -	\$ -	\$ -	\$ 1,415,186

FY2003	Basis of Classification	Functional Allocations: Source of Supply SWP	Classification Percentages					% Total
			Fixed			Variable		
			Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS								
<i>(by Group/Section)</i>								
Office of the Chief Executive Officer								
	Office of Chief Executive Officer	\$ 74,329					0.0%	
	Board of Directors	0					0.0%	
	Subtotal: Office of the Chief Executive Officer	74,329		100.0%			100.0%	
External Affairs								
	Legislative Services	0					0.0%	
	Media Services	0					0.0%	
	Office of Manager	0					0.0%	
	Customer and Community	0					0.0%	
	Subtotal: External Affairs	0		100.0%			100.0%	
Water Systems Operations								
	Office of Manager, A & G	0		100.0%			100.0%	
	Office of Manager, Conveyance and Distribution (C&A)	0		100.0%			100.0%	
	Office of the Manager, Treatment Section	0		100.0%			100.0%	
	Office of the Manager, Operations Support Services	0		100.0%			100.0%	
	Operations Support Services, Construction Services Unit	0		100.0%			100.0%	
	C&D CRA Unit	0		100.0%			100.0%	
	C&D System Operations	0		100.0%			100.0%	
	Treatment Jensen	0		73.3%		26.7%	100.0%	
	Treatment Diemer	0		45.6%		54.4%	100.0%	
	Treatment Mills	0		63.8%		36.2%	100.0%	
	Treatment Skinner	0		55.2%		44.8%	100.0%	
	Treatment Weymouth	0		60.7%		39.3%	100.0%	
	Water Quality Monitoring	0		100.0%			100.0%	
	C & D, Eastern Unit	0		100.0%			100.0%	
	C & D, Western Unit	0		100.0%			100.0%	
	OSS, Maintenance Support Unit	0		100.0%			100.0%	
	OSS, Environmental Support Unit	0		100.0%			100.0%	
	OSS, Fleet Maintenance	0		100.0%			100.0%	
	OSS, Power Support Unit	0		100.0%			100.0%	
	OSS, A&G (Project Support Team)	0		100.0%			100.0%	
	Subtotal: Water System Operations	0					0.0%	
Chief Financial Officer								
	Office of the CFO	0					0.0%	
	Subtotal: Chief Financial Officer	0		100.0%			100.0%	
Corporate Resources								
	Business Services	0					0.0%	
	Asset Management	0					0.0%	
	Engineering Services	0					0.0%	
	Human Resources	198,069					0.0%	
	Information Technology	297,263					0.0%	
	Office of Manager	0					0.0%	
	Subtotal: Corporate Resources	495,332		100.0%			100.0%	
Water Resource Management								
	Resource Planning	2,554,729					0.0%	
	Resource Implementation	288,492					0.0%	
	Office of Manager	296,120					0.0%	
	Subtotal: Water Resource Management	3,139,341		100.0%			100.0%	
Legal Department								
		0		100.0%			100.0%	
Audit Department								
	Total Departmental O&M	3,709,003		100.0%			0.0%	
GENERAL DISTRICT REQUIREMENTS								
State Water Project								
	Existing Capital Costs							
	Transmission							
	Delta-Water Charge (Supply)	20,659,869					0.0%	
	Future Capital Costs	1,210,548					0.0%	
	Minimum OMP&R							
	Transmission							
	Delta-Water Charge (Supply)	24,480,720					0.0%	
	Bay Delta Category III Funding	0					0.0%	
	Off-Aqueduct	0					0.0%	
	Variable Power Cost	0					0.0%	
	SWP Credits							
	Power	0					0.0%	
	Transmission	0					0.0%	
	Bay-Delta (Supply)	0					0.0%	
	Subtotal: SWP	46,351,137	0.0%	100.0%		0.0%	100.0%	
Colorado River Aqueduct								
	Power Cost	0					0.0%	
	CRA Supply Programs							
	IID 1	0					0.0%	
	Other # 1	0					0.0%	
	All American and Coachella Canal Lining O&M	0					0.0%	
	Other # 2	0					0.0%	
	Storage Programs	0					0.0%	
	Subtotal: Colorado River Aqueduct	0					0.0%	
Deposit to Water Transfer Fund								
		0					0.0%	
Water Management Programs								

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Basis of Classification	Functional Allocations: Source of Supply SWP	Classification Percentages					% Total
		Demand	Commodity	Standby	Variable Commodity	Hydroelectric	
Local Resources Program	0						0.0%
Conservation Credits Program	0						0.0%
Subtotal: WMP	0						0.0%
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	0						0.0%
G.O. Bond Debt Service	0						0.0%
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0						0.0%
Debt Defeasance/Tender	0						0.0%
Paygo From Annual Operating Revenues	0						0.0%
Subtotal: Capital Program	0						0.0%
Water Quality Exchange and Transfers	0						0.0%
Other Operating Costs							
Operating Equipment	219,918		100.0%				100.0%
Other	0		100.0%				100.0%
Leases	0		100.0%				100.0%
EDMS Start-up	0		100.0%				100.0%
Water Standby Administration	0		100.0%				100.0%
Association Dues	20,596		100.0%				100.0%
Debt Administration	0		100.0%				100.0%
Insurance	102,235		100.0%				100.0%
Contingency	186,767		100.0%				100.0%
Miscellaneous Other O&M	0		100.0%				100.0%
P-1 Pumping Plant	0		100.0%				100.0%
Subtotal: Leases And Operating Equipment	529,516						0.0%
Increase/(Decrease) in Required Reserves	(304,698)	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%
Total General District Requirements	46,575,954						
REQUIREMENTS BEFORE OFFSETS:	50,284,957						
Revenue Offsets							
Property Tax Revenues	0						0.0%
Interest	1,787,694	0.0%	100.0%		0.0%		100.0%
Hydro-Power Revenues	0					100.0%	100.0%
Other Revenues							
<i>Water Quality Division Revenue Generation</i>	0						0.0%
<i>All Other</i>	0						0.0%
Miscellaneous Revenues	0	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%
DVL Fill Power Costs from Transfer Fund	0						0.0%
PAYG from Prior Period Revenues	0						0.0%
Other	0						0.0%
SDCWA/MWD Exchange Agreement	0		100.0%				100.0%
Wheeling	0						0.0%
Growth Charge/Annexation Revenues	0						0.0%
Subtotal: Revenue Offsets	1,787,694						0.0%
NET REVENUE REQUIREMENTS:	\$ 48,497,263						
Comparison check-sum (includes only visible line items)	\$ 48,497,263						
Check-sum difference (should be zero)	\$ -						
(if there is a check-sum error, the check-sum difference should provide a clue as to which line item is improperly hidden)							
Number of Negative Allocations (indicates an error)		0	0	0	0	0	

FY2003	Functional Allocations:	Classification Categories					Total	
		Source of Supply SWP	Fixed			Variable		
			Demand	Commodity	Standby	Commodity		Hydroelectric
DEPARTMENTAL BUDGETS								
<i>(by Group/Section)</i>								
Office of the Chief Executive Officer								
	Office of Chief Executive Officer	\$ 74,329	\$ -	\$ 74,329	\$ -	\$ -	\$ 74,329	
	Board of Directors	0	0	0	0	0	-	
	Subtotal: Office of the Chief Executive	74,329	0	74,329	0	0	74,329	
External Affairs								
	Legislative Services	0	0	0	0	0	0	
	Media Services	0	0	0	0	0	0	
	Office of Manager	0	0	0	0	0	0	
	Customer and Community	0	0	0	0	0	0	
	Subtotal: External Affairs	0	0	0	0	0	0	
Water Systems Operations								
	Office of Manager, A & G	0	0	0	0	0	0	
	Office of Manager, Conveyance and Distribut	0	0	0	0	0	0	
	Office of the Manager, Treatment Section	0	0	0	0	0	0	
	Office of the Manager, Operations Support Se	0	0	0	0	0	0	
	Operations Support Services,Construction Ser	0	0	0	0	0	0	
	C&D CRA Unit	0	0	0	0	0	0	
	C&D System Operations	0	0	0	0	0	0	
	Treatment Jensen	0	0	0	0	0	0	
	Treatment Diemer	0	0	0	0	0	0	
	Treatment Mills	0	0	0	0	0	0	
	Treatment Skinner	0	0	0	0	0	0	
	Treatment Weymouth	0	0	0	0	0	0	
	Water Quality Monitoring	0	0	0	0	0	0	
	C & D, Eastern Unit	0	0	0	0	0	0	
	C & D, Western Unit	0	0	0	0	0	0	
	OSS, Maintenance Support Unit	0	0	0	0	0	0	
	OSS, Environmental Support Unit	0	0	0	0	0	0	
	OSS, Fleet Maintenance	0	0	0	0	0	0	
	OSS, Power Support Unit	0	0	0	0	0	0	
	OSS, A&G (Project Support Team)	0	0	0	0	0	0	
	Subtotal: Water System Operations	0	0	0	0	0	0	
Chief Financial Officer								
	Office of the CFO	0	0	0	0	0	0	
	Subtotal: Chief Financial Officer	0	0	0	0	0	0	
Corporate Resources								
	Business Services	0	0	0	0	0	0	
	Asset Management	0	0	0	0	0	0	
	Engineering Services	0	0	0	0	0	0	
	Human Resources	198,069	0	198,069	0	0	198,069	
	Information Technology	297,263	0	297,263	0	0	297,263	
	Office of Manager	0	0	0	0	0	0	
	Subtotal: Corporate Resources	495,332	0	495,332	0	0	495,332	
Water Resource Management								
	Resource Planning	2,554,729	0	2,554,729	0	0	2,554,729	
	Resource Implementation	288,492	0	288,492	0	0	288,492	
	Office of Manager	296,120	0	296,120	0	0	296,120	
	Subtotal: Water Resource Management	3,139,341	0	3,139,341	0	0	3,139,341	
Legal Department								
		0	0	0	0	0	0	
Audit Department								
		0	0	0	0	0	0	
	Total Departmental O&M	3,709,003	0	3,709,003	0	0	3,709,003	
GENERAL DISTRICT REQUIREMENTS								
State Water Project								
	Existing Capital Costs							
	Transmission							
	Delta-Water Charge (Supply)	20,659,869	0	20,659,869	0	0	20,659,869	
	Future Capital Costs	1,210,548	0	1,210,548	0	0	1,210,548	
	Minimum OMP&R							
	Transmission							
	Delta-Water Charge (Supply)	24,480,720	0	24,480,720	0	0	24,480,720	
	Bay Delta Category III Funding	0	0	0	0	0	0	
	Off-Aqueduct	0	0	0	0	0	0	
	Variable Power Cost	0	0	0	0	0	0	
	SWP Credits							
	Power							
	Transmission	0	0	0	0	0	0	
	Bay-Delta (Supply)	0	0	0	0	0	0	
	Subtotal: SWP	46,351,137	0	46,351,137	0	0	46,351,137	
Colorado River Aqueduct								
	Power Cost	0	0	0	0	0	0	
	CRA Supply Programs							
	IID 1	0	0	0	0	0	0	
	Other # 1	0	0	0	0	0	0	
	All American and Coachella Canal Lining C	0	0	0	0	0	0	
	Other # 2	0	0	0	0	0	0	
	Storage Programs	0	0	0	0	0	0	
	Subtotal: Colorado River Aqueduct	0	0	0	0	0	0	
Deposit to Water Transfer Fund								
		0	0	0	0	0	0	
Water Management Programs								

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
	Source of Supply SWP						
	Local Resources Program	0	0	0	0	0	0
	Conservation Credits Program	0	0	0	0	0	0
	Subtotal: WMP	0	0	0	0	0	0
	Capital Financing Program						
	Rev Bond D/S & Increase in I&P Fund	0	0	0	0	0	0
	G.O. Bond Debt Service	0	0	0	0	0	0
	Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0
	Debt Defeasance/Tender	0	0	0	0	0	0
	Paygo From Annual Operating Revenues	0	0	0	0	0	0
	Subtotal: Capital Program	0	0	0	0	0	0
	Water Quality Exchange and Transfers	0	0	0	0	0	0
	Other Operating Costs						
	Operating Equipment	219,918	0	219,918	0	0	219,918
	Other	0	0	0	0	0	0
	Leases	0	0	0	0	0	0
	EDMS Start-up	0	0	0	0	0	0
	Water Standby Administration	0	0	0	0	0	0
	Association Dues	20,596	0	20,596	0	0	20,596
	Debt Administration	0	0	0	0	0	0
	Insurance	102,235	0	102,235	0	0	102,235
	Contingency	186,767	0	186,767	0	0	186,767
	Miscellaneous Other O&M	0	0	0	0	0	0
	P-1 Pumping Plant	0	0	0	0	0	0
	Subtotal: Leases And Operating Equipment	529,516	0	529,516	0	0	529,516
	Increase/(Decrease) in Required Reserves	(304,698)	0	(304,698)	0	0	(304,698)
	Total General District Requirements	46,575,954	0	46,575,954	0	0	46,575,954
	REQUIREMENTS BEFORE OFFSETS:	50,284,957	0	50,284,957	0	0	50,284,957
	Revenue Offsets						
	Property Tax Revenues	0	0	0	0	0	0
	Interest	1,787,694	0	1,787,694	0	0	1,787,694
	Hydro-Power Revenues	0	0	0	0	0	0
	Other Revenues	0	0	0	0	0	0
	Water Quality Division Revenue Generation	0	0	0	0	0	0
	All Other	0	0	0	0	0	0
	Miscellaneous Revenues	0	0	0	0	0	0
	DVL Fill Power Costs from Transfer Fund	0	0	0	0	0	0
	PAYG from Prior Period Revenues	0	0	0	0	0	0
	Other	0	0	0	0	0	0
	SDCWA/MWD Exchange Agreement	0	0	0	0	0	0
	Wheeling	0	0	0	0	0	0
	Growth Charge/Annexation Revenues	0	0	0	0	0	0
	Subtotal: Revenue Offsets	1,787,694	0	1,787,694	0	0	1,787,694
	NET REVENUE REQUIREMENTS:	\$ 48,497,263	\$ -	\$ 48,497,263	\$ -	\$ -	\$ 48,497,263

FY2003	Basis of Classification	Functional Allocations: Other Supply	Classification Percentages					% Total
			Fixed			Variable		
			Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS <i>(by Group/Section)</i>								
Office of the Chief Executive Officer								
	Office of Chief Executive Officer	\$ 97,953						0.0%
	Board of Directors	0						0.0%
	Subtotal: Office of the Chief Executive Officer	97,953		100.0%				100.0%
External Affairs								
	Legislative Services	0						0.0%
	Media Services	0						0.0%
	Office of Manager	0						0.0%
	Customer and Community	0						0.0%
	Subtotal: External Affairs	0		100.0%				100.0%
Water Systems Operations								
	Office of Manager, A & G	66,683		100.0%				100.0%
	Office of Manager, Conveyance and Distribution (C&A)	0		100.0%				100.0%
	Office of the Manager, Treatment Section	0		100.0%				100.0%
	Office of the Manager, Operations Support Services	4,427		100.0%				100.0%
	Operations Support Services, Construction Services Unit	0		100.0%				100.0%
	C&D CRA Unit	0		100.0%				100.0%
	C&D System Operations	0		100.0%				100.0%
	Treatment Jensen	0		73.3%		26.7%		100.0%
	Treatment Diemer	0		45.6%		54.4%		100.0%
	Treatment Mills	0		63.8%		36.2%		100.0%
	Treatment Skinner	0		55.2%		44.8%		100.0%
	Treatment Weymouth	0		60.7%		39.3%		100.0%
	Water Quality Monitoring	1,172,183		100.0%				100.0%
	C & D, Eastern Unit	0		100.0%				100.0%
	C & D, Western Unit	0		100.0%				100.0%
	OSS, Maintenance Support Unit	44,944		100.0%				100.0%
	OSS, Environmental Support Unit	58,680		100.0%				100.0%
	OSS, Fleet Maintenance	67,969		100.0%				100.0%
	OSS, Power Support Unit	0		100.0%				100.0%
	OSS, A&G (Project Support Team)	12,970		100.0%				100.0%
	Subtotal: Water System Operations	1,427,857						0.0%
Chief Financial Officer								
	Office of the CFO	0						0.0%
	Subtotal: Chief Financial Officer	0		100.0%				100.0%
Corporate Resources								
	Business Services	0						0.0%
	Asset Management	26,547						0.0%
	Engineering Services	226,140						0.0%
	Human Resources	256,747						0.0%
	Information Technology	385,329						0.0%
	Office of Manager	0						0.0%
	Subtotal: Corporate Resources	894,763		100.0%				100.0%
Water Resource Management								
	Resource Planning	1,244,671						0.0%
	Resource Implementation	923,954						0.0%
	Office of Manager	353,389						0.0%
	Subtotal: Water Resource Management	2,522,014		100.0%				100.0%
Legal Department								
		0		100.0%				100.0%
Audit Department								
	Total Departmental O&M	0		100.0%				100.0%
		4,942,587						0.0%
GENERAL DISTRICT REQUIREMENTS								
State Water Project								
	Existing Capital Costs							
	Transmission							
	Delta-Water Charge (Supply)	0						0.0%
	Delta-Water Charge (Supply)	0						0.0%
	Future Capital Costs	0						0.0%
	Minimum OMP&R							
	Transmission							
	Delta-Water Charge (Supply)	0						0.0%
	Delta-Water Charge (Supply)	0						0.0%
	Bay Delta Category III Funding	0						0.0%
	Off-Aqueduct	0						0.0%
	Variable Power Cost	0						0.0%
	SWP Credits							
	Power							
	Transmission	0						0.0%
	Transmission	0						0.0%
	Bay-Delta (Supply)	0						0.0%
	Subtotal: SWP	0						0.0%
Colorado River Aqueduct								
	Power Cost	0						0.0%
	CRA Supply Programs							
	IID 1	0						0.0%
	Other # 1	0						0.0%
	All American and Coachella Canal Lining O&M	0						0.0%
	Other # 2	0						0.0%
	Storage Programs	0						0.0%
	Subtotal: Colorado River Aqueduct	0						0.0%
	Deposit to Water Transfer Fund	45,000,000		100.0%				100.0%
Water Management Programs								

FY2003	Basis of Classification	Functional Allocations: Other Supply	Classification Percentages					% Total
			Fixed			Variable		
			Demand	Commodity	Standby	Commodity	Hydroelectric	
	Local Resources Program	0						0.0%
	Conservation Credits Program	0						0.0%
	Subtotal: WMP	0	100.0%					100.0%
	Capital Financing Program							
	Rev Bond D/S & Increase in I&P Fund	2,185,645						0.0%
	G.O. Bond Debt Service	0						0.0%
	Non-Rev. Bond Var. Rate Debt Int. Pmts.	0						0.0%
	Debt Defeasance/Tender	257,809						0.0%
	Paygo From Annual Operating Revenues	1,661,730						0.0%
	Subtotal: Capital Program	4,105,184	100.0%					100.0%
	Water Quality Exchange and Transfers	0	100.0%					100.0%
	Other Operating Costs							
	Operating Equipment	289,814	100.0%					100.0%
	Other	0	100.0%					100.0%
	Leases	0	100.0%					100.0%
	EDMS Start-up	0	100.0%					100.0%
	Water Standby Administration	0	100.0%					100.0%
	Association Dues	27,142	100.0%					100.0%
	Debt Administration	34,440	100.0%					100.0%
	Insurance	10,094	100.0%					100.0%
	Contingency	18,440	100.0%					100.0%
	Miscellaneous Other O&M	0	100.0%					100.0%
	P-1 Pumping Plant	0						0.0%
	Subtotal: Leases And Operating Equipment	379,931						0.0%
	Increase/(Decrease) in Required Reserves	(30,084)	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%
	Total General District Requirements	49,455,030						
	REQUIREMENTS BEFORE OFFSETS:	54,397,617						
	Revenue Offsets							
	Property Tax Revenues	0	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
	Interest	1,933,904	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%
	Hydro-Power Revenues	0						0.0%
	Other Revenues	0						0.0%
	<i>Water Quality Division Revenue Generation</i>	0						0.0%
	<i>All Other</i>	0						0.0%
	Miscellaneous Revenues	0	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%
	DVL Fill Power Costs from Transfer Fund	0						0.0%
	PAYG from Prior Period Revenues	616,230		100.0%				100.0%
	Other	0						0.0%
	SDCWA/MWD Exchange Agreement	1,619,910		100.0%				100.0%
	Wheeling	0						0.0%
	Growth Charge/Annexation Revenues	0						0.0%
	Subtotal: Revenue Offsets	4,170,044						0.0%
	NET REVENUE REQUIREMENTS:	\$ 50,227,573						
	Comparison check-sum (includes only visible line items)	\$ 50,227,573						
	Check-sum difference (should be zero)	\$ -						
	(if there is a check-sum error, the check-sum difference should provide a clue as to which line item is improperly hidden)							
	Number of Negative Allocations (indicates an error)		0	0	0	0	0	

FY2003	Functional Allocations: Other Supply	Classification Categories					Total
		Fixed			Variable	Hydroelectric	
		Demand	Commodity	Standby	Commodity		
DEPARTMENTAL BUDGETS							
<i>(by Group/Section)</i>							
Office of the Chief Executive Officer							
Office of Chief Executive Officer	\$ 97,953	\$ -	\$ 97,953	\$ -	\$ -	\$ -	\$ 97,953
Board of Directors	0	0	0	0	0	0	-
Subtotal: Office of the Chief Executive	97,953	0	97,953	0	0	0	97,953
External Affairs							
Legislative Services	0	0	0	0	0	0	0
Media Services	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Customer and Community	0	0	0	0	0	0	0
Subtotal: External Affairs	0	0	0	0	0	0	0
Water Systems Operations							
Office of Manager, A & G	66,683	0	66,683	0	0	0	66,683
Office of Manager, Conveyance and Distribut	0	0	0	0	0	0	0
Office of the Manager, Treatment Section	0	0	0	0	0	0	0
Office of the Manager, Operations Support Se	4,427	0	4,427	0	0	0	4,427
Operations Support Services,Construction Ser	0	0	0	0	0	0	0
C&D CRA Unit	0	0	0	0	0	0	0
C&D System Operations	0	0	0	0	0	0	0
Treatment Jensen	0	0	0	0	0	0	0
Treatment Diemer	0	0	0	0	0	0	0
Treatment Mills	0	0	0	0	0	0	0
Treatment Skinner	0	0	0	0	0	0	0
Treatment Weymouth	0	0	0	0	0	0	0
Water Quality Monitoring	1,172,183	0	1,172,183	0	0	0	1,172,183
C & D, Eastern Unit	0	0	0	0	0	0	0
C & D, Western Unit	0	0	0	0	0	0	0
OSS, Maintenance Support Unit	44,944	0	44,944	0	0	0	44,944
OSS, Environmental Support Unit	58,680	0	58,680	0	0	0	58,680
OSS, Fleet Maintenance	67,969	0	67,969	0	0	0	67,969
OSS, Power Support Unit	0	0	0	0	0	0	0
OSS, A&G (Project Support Team)	12,970	0	12,970	0	0	0	12,970
Subtotal: Water System Operations	1,427,857	0	1,427,857	0	0	0	1,427,857
Chief Financial Officer							
Office of the CFO	0	0	0	0	0	0	0
Subtotal: Chief Financial Officer	0	0	0	0	0	0	0
Corporate Resources							
Business Services	0	0	0	0	0	0	0
Asset Management	26,547	0	26,547	0	0	0	26,547
Engineering Services	226,140	0	226,140	0	0	0	226,140
Human Resources	256,747	0	256,747	0	0	0	256,747
Information Technology	385,329	0	385,329	0	0	0	385,329
Office of Manager	0	0	0	0	0	0	0
Subtotal: Corporate Resources	894,763	0	894,763	0	0	0	894,763
Water Resource Management							
Resource Planning	1,244,671	0	1,244,671	0	0	0	1,244,671
Resource Implementation	923,954	0	923,954	0	0	0	923,954
Office of Manager	353,389	0	353,389	0	0	0	353,389
Subtotal: Water Resource Management	2,522,014	0	2,522,014	0	0	0	2,522,014
Legal Department							
	0	0	0	0	0	0	0
Audit Department							
	0	0	0	0	0	0	0
Total Departmental O&M	4,942,587	0	4,942,587	0	0	0	4,942,587
GENERAL DISTRICT REQUIREMENTS							
State Water Project							
Existing Capital Costs							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Future Capital Costs	0	0	0	0	0	0	0
Minimum OMP&R							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Bay Delta Category III Funding	0	0	0	0	0	0	0
Off-Aqueduct	0	0	0	0	0	0	0
Variable Power Cost	0	0	0	0	0	0	0
SWP Credits							
Power	0	0	0	0	0	0	0
Transmission	0	0	0	0	0	0	0
Bay-Delta (Supply)	0	0	0	0	0	0	0
Subtotal: SWP	0	0	0	0	0	0	0
Colorado River Aqueduct							
Power Cost	0	0	0	0	0	0	0
CRA Supply Programs							
IID 1	0	0	0	0	0	0	0
Other # 1	0	0	0	0	0	0	0
All American and Coachella Canal Lining C	0	0	0	0	0	0	0
Other # 2	0	0	0	0	0	0	0
Storage Programs	0	0	0	0	0	0	0
Subtotal: Colorado River Aqueduct	0	0	0	0	0	0	0
Deposit to Water Transfer Fund	45,000,000	0	45,000,000	0	0	0	45,000,000
Water Management Programs							

FY2003	Functional Allocations: Other Supply	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
Local Resources Program	0	0	0	0	0	0	0
Conservation Credits Program	0	0	0	0	0	0	0
Subtotal: WMP	0	0	0	0	0	0	0
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	2,185,645	0	2,185,645	0	0	0	2,185,645
G.O. Bond Debt Service	0	0	0	0	0	0	0
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0	0
Debt Defeasance/Tender	257,809	0	257,809	0	0	0	257,809
Paygo From Annual Operating Revenues	1,661,730	0	1,661,730	0	0	0	1,661,730
Subtotal: Capital Program	4,105,184	0	4,105,184	0	0	0	4,105,184
Water Quality Exchange and Transfers	0	0	0	0	0	0	0
Other Operating Costs							
Operating Equipment	289,814	0	289,814	0	0	0	289,814
Other	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0
EDMS Start-up	0	0	0	0	0	0	0
Water Standby Administration	0	0	0	0	0	0	0
Association Dues	27,142	0	27,142	0	0	0	27,142
Debt Administration	34,440	0	34,440	0	0	0	34,440
Insurance	10,094	0	10,094	0	0	0	10,094
Contingency	18,440	0	18,440	0	0	0	18,440
Miscellaneous Other O&M	0	0	0	0	0	0	0
P-1 Pumping Plant	0	0	0	0	0	0	0
Subtotal: Leases And Operating Equipment	379,931	0	379,931	0	0	0	379,931
Increase/(Decrease) in Required Reserves	(30,084)	0	(30,084)	0	0	0	(30,084)
Total General District Requirements	49,455,030	0	49,455,030	0	0	0	49,455,030
REQUIREMENTS BEFORE OFFSETS:	54,397,617	0	54,397,617	0	0	0	54,397,617
Revenue Offsets							
Property Tax Revenues	0	0	0	0	0	0	0
Interest	1,933,904	0	1,933,904	0	0	0	1,933,904
Hydro-Power Revenues	0	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0	0
<i>Water Quality Division Revenue Generation</i>	0	0	0	0	0	0	0
<i>All Other</i>	0	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	0	0	0	0
DVL Fill Power Costs from Transfer Fund	0	0	0	0	0	0	0
PAYG from Prior Period Revenues	616,230	0	616,230	0	0	0	616,230
Other	0	0	0	0	0	0	0
SDCWA/MWD Exchange Agreement	1,619,910	0	1,619,910	0	0	0	1,619,910
Wheeling	0	0	0	0	0	0	0
Growth Charge/Annexation Revenues	0	0	0	0	0	0	0
Subtotal: Revenue Offsets	4,170,044	0	4,170,044	0	0	0	4,170,044
NET REVENUE REQUIREMENTS:	\$ 50,227,573	\$ -	\$ 50,227,573	\$ -	\$ -	\$ -	\$ 50,227,573

FY2003	Basis of Classification	Functional Allocations: Conv.&Aqed: CRA Power	Classification Percentages					% Total
			Fixed			Variable		
			Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS <i>(by Group/Section)</i>								
Office of the Chief Executive Officer								
	Office of Chief Executive Officer	\$ 53,932					0.0%	
	Board of Directors	0					0.0%	
	Subtotal: Office of the Chief Executive Officer	53,932	100.0%				100.0%	
External Affairs								
	Legislative Services	0					0.0%	
	Media Services	0					0.0%	
	Office of Manager	0					0.0%	
	Customer and Community	0					0.0%	
	Subtotal: External Affairs	0	100.0%				100.0%	
Water Systems Operations								
	Office of Manager, A & G	100,313	100.0%				100.0%	
	Office of Manager, Conveyance and Distribution (C&A)	0	100.0%				100.0%	
	Office of the Manager, Treatment Section	0	100.0%				100.0%	
	Office of the Manager, Operations Support Services	6,660	100.0%				100.0%	
	Operations Support Services, Construction Services Unit	0	100.0%				100.0%	
	C&D CRA Unit	0	100.0%				100.0%	
	C&D System Operations	0	100.0%				100.0%	
	Treatment Jensen	0	73.3%		26.7%		100.0%	
	Treatment Diemer	0	45.6%		54.4%		100.0%	
	Treatment Mills	0	63.8%		36.2%		100.0%	
	Treatment Skinner	0	55.2%		44.8%		100.0%	
	Treatment Weymouth	0	60.7%		39.3%		100.0%	
	Water Quality Monitoring	0	100.0%				100.0%	
	C & D, Eastern Unit	0	100.0%				100.0%	
	C & D, Western Unit	0	100.0%				100.0%	
	OSS, Maintenance Support Unit	254	100.0%				100.0%	
	OSS, Environmental Support Unit	332	100.0%				100.0%	
	OSS, Fleet Maintenance	385	100.0%				100.0%	
	OSS, Power Support Unit	2,039,954	100.0%				100.0%	
	OSS, A&G (Project Support Team)	73	100.0%				100.0%	
	Subtotal: Water System Operations	2,147,972					0.0%	
Chief Financial Officer								
	Office of the CFO	0					0.0%	
	Subtotal: Chief Financial Officer	0	100.0%				100.0%	
Corporate Resources								
	Business Services	0					0.0%	
	Asset Management	2,638					0.0%	
	Engineering Services	20,224					0.0%	
	Human Resources	138,195					0.0%	
	Information Technology	207,404					0.0%	
	Office of Manager	0					0.0%	
	Subtotal: Corporate Resources	368,461	100.0%				100.0%	
Water Resource Management								
	Resource Planning	0					0.0%	
	Resource Implementation	0					0.0%	
	Office of Manager	59,840					0.0%	
	Subtotal: Water Resource Management	59,840	100.0%				100.0%	
Legal Department								
		0	100.0%				100.0%	
Audit Department								
	Total Departmental O&M	2,630,206					0.0%	
GENERAL DISTRICT REQUIREMENTS								
State Water Project								
	Existing Capital Costs							
	Transmission	0					0.0%	
	Delta-Water Charge (Supply)	0					0.0%	
	Future Capital Costs	0					0.0%	
	Minimum OMP&R							
	Transmission	0					0.0%	
	Delta-Water Charge (Supply)	0					0.0%	
	Bay Delta Category III Funding	0					0.0%	
	Off-Aqueduct	0					0.0%	
	Variable Power Cost	0					0.0%	
	SWP Credits							
	Power	0					0.0%	
	Transmission	0					0.0%	
	Bay-Delta (Supply)	0					0.0%	
	Subtotal: SWP	0					0.0%	
Colorado River Aqueduct								
	Power Cost	58,788,610			100.0%		100.0%	
	CRA Supply Programs							
	IID 1	0					0.0%	
	Other # 1	0					0.0%	
	All American and Coachella Canal Lining O&M	0					0.0%	
	Other # 2	0					0.0%	
	Storage Programs	0					0.0%	
	Subtotal: Colorado River Aqueduct	58,788,610					0.0%	
Deposit to Water Transfer Fund								
		0					0.0%	
Water Management Programs								

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Basis of Classification	Functional Allocations:	Classification Percentages					% Total	
		Conv.&Aqed: CRA	Fixed			Variable		
			Demand	Commodity	Standby	Commodity	Hydroelectric	
Local Resources Program		0						0.0%
Conservation Credits Program		0						0.0%
Subtotal: WMP		0						0.0%
Capital Financing Program								
Rev Bond D/S & Increase in I&P Fund		195,464						0.0%
G.O. Bond Debt Service		0						0.0%
Non-Rev. Bond Var. Rate Debt Int. Pmts.		0						0.0%
Debt Defeasance/Tender		23,056						0.0%
Paygo From Annual Operating Revenues		148,610						0.0%
Subtotal: Capital Program		367,130	100.0%					100.0%
Water Quality Exchange and Transfers		0						0.0%
Other Operating Costs								
Operating Equipment		159,570	100.0%					100.0%
Other		0	100.0%					100.0%
Leases		0	100.0%					100.0%
EDMS Start-up		0	100.0%					100.0%
Water Standby Administration		0	100.0%					100.0%
Association Dues		14,944	100.0%					100.0%
Debt Administration		3,080	100.0%					100.0%
Insurance		5,371	100.0%					100.0%
Contingency		9,813	100.0%					100.0%
Miscellaneous Other O&M		0	100.0%					100.0%
P-1 Pumping Plant		0						0.0%
Subtotal: Leases And Operating Equipment		192,779						0.0%
Increase/(Decrease) in Required Reserves		(16,009)	0.0%	5.1%	0.0%	94.9%	0.0%	100.0%
Total General District Requirements		59,332,510						
REQUIREMENTS BEFORE OFFSETS:		61,962,716						
Revenue Offsets								
Property Tax Revenues		0	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Interest		2,202,853				100.0%		100.0%
Hydro-Power Revenues		0						0.0%
Other Revenues		0						0.0%
<i>Water Quality Division Revenue Generation</i>		0						0.0%
<i>All Other</i>		0						0.0%
Miscellaneous Revenues		0	0.0%	5.1%	0.0%	94.9%	0.0%	100.0%
DVL Fill Power Costs from Transfer Fund		0						0.0%
PAYG from Prior Period Revenues		55,110		100.0%				100.0%
Other		0						0.0%
SDCWA/MWD Exchange Agreement		0		100.0%				100.0%
Wheeling		0						0.0%
Growth Charge/Annexation Revenues		1,158	0.0%	100.0%	0.0%		0.0%	100.0%
Subtotal: Revenue Offsets		2,259,121						0.0%
NET REVENUE REQUIREMENTS:		\$ 59,703,595						
Comparison check-sum (includes only visible line items)		\$ 59,703,595						
Check-sum difference (should be zero)		\$ -						
(if there is a check-sum error, the check-sum difference should provide a clue as to which line item is improperly hidden)								
Number of Negative Allocations (indicates an error)			0	0	0	0	0	

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS							
<i>(by Group/Section)</i>							
Office of the Chief Executive Officer							
Office of Chief Executive Officer	\$ 53,932	\$ -	\$ 53,932	\$ -	\$ -	\$ -	\$ 53,932
Board of Directors	0	0	0	0	0	0	-
Subtotal: Office of the Chief Executive	53,932	0	53,932	0	0	0	53,932
External Affairs							
Legislative Services	0	0	0	0	0	0	0
Media Services	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Customer and Community	0	0	0	0	0	0	0
Subtotal: External Affairs	0	0	0	0	0	0	0
Water Systems Operations							
Office of Manager, A & G	100,313	0	100,313	0	0	0	100,313
Office of Manager, Conveyance and Distribut	0	0	0	0	0	0	0
Office of the Manager, Treatment Section	0	0	0	0	0	0	0
Office of the Manager, Operations Support Se	6,660	0	6,660	0	0	0	6,660
Operations Support Services, Construction Ser	0	0	0	0	0	0	0
C&D CRA Unit	0	0	0	0	0	0	0
C&D System Operations	0	0	0	0	0	0	0
Treatment Jensen	0	0	0	0	0	0	0
Treatment Diemer	0	0	0	0	0	0	0
Treatment Mills	0	0	0	0	0	0	0
Treatment Skinner	0	0	0	0	0	0	0
Treatment Weymouth	0	0	0	0	0	0	0
Water Quality Monitoring	0	0	0	0	0	0	0
C & D, Eastern Unit	0	0	0	0	0	0	0
C & D, Western Unit	0	0	0	0	0	0	0
OSS, Maintenance Support Unit	254	0	254	0	0	0	0
OSS, Environmental Support Unit	332	0	332	0	0	0	332
OSS, Fleet Maintenance	385	0	385	0	0	0	385
OSS, Power Support Unit	2,039,954	0	2,039,954	0	0	0	2,039,954
OSS, A&G (Project Support Team)	73	0	73	0	0	0	73
Subtotal: Water System Operations	2,147,972	0	2,147,972	0	0	0	2,147,972
Chief Financial Officer							
Office of the CFO	0	0	0	0	0	0	0
Subtotal: Chief Financial Officer	0	0	0	0	0	0	0
Corporate Resources							
Business Services	0	0	0	0	0	0	0
Asset Management	2,638	0	2,638	0	0	0	2,638
Engineering Services	20,224	0	20,224	0	0	0	20,224
Human Resources	138,195	0	138,195	0	0	0	138,195
Information Technology	207,404	0	207,404	0	0	0	207,404
Office of Manager	0	0	0	0	0	0	0
Subtotal: Corporate Resources	368,461	0	368,461	0	0	0	368,461
Water Resource Management							
Resource Planning	0	0	0	0	0	0	0
Resource Implementation	0	0	0	0	0	0	0
Office of Manager	59,840	0	59,840	0	0	0	59,840
Subtotal: Water Resource Management	59,840	0	59,840	0	0	0	59,840
Legal Department							
	0	0	0	0	0	0	0
Audit Department							
Total Departmental O&M	2,630,206	0	2,630,206	0	0	0	2,630,206
GENERAL DISTRICT REQUIREMENTS							
State Water Project							
Existing Capital Costs							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Future Capital Costs	0	0	0	0	0	0	0
Minimum OMP&R							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Bay Delta Category III Funding	0	0	0	0	0	0	0
Off-Aqueduct	0	0	0	0	0	0	0
Variable Power Cost	0	0	0	0	0	0	0
SWP Credits							
Power	0	0	0	0	0	0	0
Transmission	0	0	0	0	0	0	0
Bay-Delta (Supply)	0	0	0	0	0	0	0
Subtotal: SWP	0	0	0	0	0	0	0
Colorado River Aqueduct							
Power Cost	58,788,610	0	0	0	58,788,610	0	58,788,610
CRA Supply Programs							
IID 1	0	0	0	0	0	0	0
Other # 1	0	0	0	0	0	0	0
All American and Coachella Canal Lining C	0	0	0	0	0	0	0
Other # 2	0	0	0	0	0	0	0
Storage Programs	0	0	0	0	0	0	0
Subtotal: Colorado River Aqueduct	58,788,610	0	0	0	58,788,610	0	58,788,610
Deposit to Water Transfer Fund							
	0	0	0	0	0	0	0
Water Management Programs							

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
	Conv.&Aquad: CRA						
Local Resources Program	0	0	0	0	0	0	0
Conservation Credits Program	0	0	0	0	0	0	0
Subtotal: WMP	0	0	0	0	0	0	0
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	195,464	0	195,464	0	0	0	195,464
G.O. Bond Debt Service	0	0	0	0	0	0	0
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0	0
Debt Defeasance/Tender	23,056	0	23,056	0	0	0	23,056
Paygo From Annual Operating Revenues	148,610	0	148,610	0	0	0	148,610
Subtotal: Capital Program	367,130	0	367,130	0	0	0	367,130
Water Quality Exchange and Transfers	0	0	0	0	0	0	0
Other Operating Costs							
Operating Equipment	159,570	0	159,570	0	0	0	159,570
Other	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0
EDMS Start-up	0	0	0	0	0	0	0
Water Standby Administration	0	0	0	0	0	0	0
Association Dues	14,944	0	14,944	0	0	0	14,944
Debt Administration	3,080	0	3,080	0	0	0	3,080
Insurance	5,371	0	5,371	0	0	0	5,371
Contingency	9,813	0	9,813	0	0	0	9,813
Miscellaneous Other O&M	0	0	0	0	0	0	0
P-1 Pumping Plant	0	0	0	0	0	0	0
Subtotal: Leases And Operating Equipment	192,779	0	192,779	0	0	0	192,779
Increase/(Decrease) in Required Reserves	(16,009)	0	(824)	0	(15,185)	0	(16,009)
Total General District Requirements	59,332,510	0	559,085	0	58,773,425	0	59,332,510
REQUIREMENTS BEFORE OFFSETS:	61,962,716	0	3,189,291	0	58,773,425	0	61,962,716
Revenue Offsets							
Property Tax Revenues	0	0	0	0	0	0	0
Interest	2,202,853	0	0	0	2,202,853	0	2,202,853
Hydro-Power Revenues	0	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0	0
<i>Water Quality Division Revenue Generation</i>	0	0	0	0	0	0	0
<i>All Other</i>	0	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	0	0	0	0
DVL Fill Power Costs from Transfer Fund	0	0	0	0	0	0	0
PAYG from Prior Period Revenues	55,110	0	55,110	0	0	0	55,110
Other	0	0	0	0	0	0	0
SDCWA/MWD Exchange Agreement	0	0	0	0	0	0	0
Wheeling	0	0	0	0	0	0	0
Growth Charge/Annexation Revenues	1,158	0	1,158	0	0	0	1,158
Subtotal: Revenue Offsets	2,259,121	0	56,268	0	2,202,853	0	2,259,121
NET REVENUE REQUIREMENTS:	\$ 59,703,595	\$ -	\$ 3,133,023	\$ -	\$ 56,570,572	\$ -	\$ 59,703,595

FY2003	Basis of Classification	Functional Allocations: Conv.&Aqed: CRA All Other	Classification Percentages					% Total
			Fixed			Variable		
			Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS <i>(by Group/Section)</i>								
Office of the Chief Executive Officer								
	Office of Chief Executive Officer	\$ 289,226					0.0%	
	Board of Directors	0					0.0%	
	Subtotal: Office of the Chief Executive Officer	289,226	100.0%				100.0%	
External Affairs								
	Legislative Services	0					0.0%	
	Media Services	0					0.0%	
	Office of Manager	0					0.0%	
	Customer and Community	0					0.0%	
	Subtotal: External Affairs	0	100.0%				100.0%	
Water Systems Operations								
	Office of Manager, A & G	563,252	100.0%				100.0%	
	Office of Manager, Conveyance and Distribution (C&A)	56,667	100.0%				100.0%	
	Office of the Manager, Treatment Section	0	100.0%				100.0%	
	Office of the Manager, Operations Support Services	37,395	100.0%				100.0%	
	Operations Support Services, Construction Services Unit	0	100.0%				100.0%	
	C&D CRA Unit	9,893,405	100.0%				100.0%	
	C&D System Operations	0	100.0%				100.0%	
	Treatment Jensen	0	73.3%		26.7%		100.0%	
	Treatment Diemer	0	45.6%		54.4%		100.0%	
	Treatment Mills	0	63.8%		36.2%		100.0%	
	Treatment Skinner	0	55.2%		44.8%		100.0%	
	Treatment Weymouth	0	60.7%		39.3%		100.0%	
	Water Quality Monitoring	0	100.0%				100.0%	
	C & D, Eastern Unit	0	100.0%				100.0%	
	C & D, Western Unit	0	100.0%				100.0%	
	OSS, Maintenance Support Unit	381,497	100.0%				100.0%	
	OSS, Environmental Support Unit	498,097	100.0%				100.0%	
	OSS, Fleet Maintenance	576,947	100.0%				100.0%	
	OSS, Power Support Unit	0	100.0%				100.0%	
	OSS, A&G (Project Support Team)	110,096	100.0%				100.0%	
	Subtotal: Water System Operations	12,117,357					0.0%	
Chief Financial Officer								
	Office of the CFO	0					0.0%	
	Subtotal: Chief Financial Officer	0	100.0%				100.0%	
Corporate Resources								
	Business Services	0					0.0%	
	Asset Management	48,642					0.0%	
	Engineering Services	395,285					0.0%	
	Human Resources	820,072					0.0%	
	Information Technology	1,230,772					0.0%	
	Office of Manager	129,115					0.0%	
	Subtotal: Corporate Resources	2,623,887	100.0%				100.0%	
Water Resource Management								
	Resource Planning	0					0.0%	
	Resource Implementation	0					0.0%	
	Office of Manager	4,018					0.0%	
	Subtotal: Water Resource Management	4,018	100.0%				100.0%	
Legal Department								
		0	100.0%				100.0%	
Audit Department								
	Total Departmental O&M	15,034,488					0.0%	
GENERAL DISTRICT REQUIREMENTS								
State Water Project								
	Existing Capital Costs							
	Transmission							
	Delta-Water Charge (Supply)	0					0.0%	
	Future Capital Costs	0					0.0%	
	Minimum OMP&R							
	Transmission							
	Delta-Water Charge (Supply)	0					0.0%	
	Bay Delta Category III Funding	0					0.0%	
	Off-Aqueduct	0					0.0%	
	Variable Power Cost	0					0.0%	
	SWP Credits							
	Power	0					0.0%	
	Transmission	0					0.0%	
	Bay-Delta (Supply)	0					0.0%	
	Subtotal: SWP	0					0.0%	
Colorado River Aqueduct								
	Power Cost	0					0.0%	
	CRA Supply Programs							
	IID 1	0					0.0%	
	Other # 1	0					0.0%	
	All American and Coachella Canal Lining O&M	0					0.0%	
	Other # 2	0					0.0%	
	Storage Programs	0					0.0%	
	Subtotal: Colorado River Aqueduct	0					0.0%	
Deposit to Water Transfer Fund								
		0					0.0%	
Water Management Programs								

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Basis of Classification	Functional Allocations:	Classification Percentages					% Total
		Conv.&Aqed:	Demand	Commodity	Standby	Variable Commodity	
Local Resources Program	CRA	0					0.0%
Conservation Credits Program		0					0.0%
Subtotal: WMP		0					0.0%
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund		3,820,436					0.0%
G.O. Bond Debt Service		0					0.0%
Non-Rev. Bond Var. Rate Debt Int. Pmts.		0					0.0%
Debt Defeasance/Tender		450,642					0.0%
Paygo From Annual Operating Revenues		2,904,650					0.0%
Subtotal: Capital Program		7,175,727	27.4%	54.9%	17.7%		100.0%
Water Quality Exchange and Transfers		0					0.0%
Other Operating Costs							
Operating Equipment		855,738		100.0%			100.0%
Other		0		100.0%			100.0%
Leases		0		100.0%			100.0%
EDMS Start-up		0		100.0%			100.0%
Water Standby Administration		0		100.0%			100.0%
Association Dues		80,143		100.0%			100.0%
Debt Administration		60,200		100.0%			100.0%
Insurance		30,704		100.0%			100.0%
Contingency		56,091		100.0%			100.0%
Miscellaneous Other O&M		0		100.0%			100.0%
P-1 Pumping Plant		0					0.0%
Subtotal: Leases And Operating Equipment		1,082,876					0.0%
Increase/(Decrease) in Required Reserves		(91,510)	8.5%	86.1%	5.5%	0.0%	0.0%
Total General District Requirements		8,167,094					
REQUIREMENTS BEFORE OFFSETS:		23,201,582					
Revenue Offsets							
Property Tax Revenues		0	0.0%	0.0%	0.0%	0.0%	0.0%
Interest		824,846	27.4%	54.9%	17.7%	0.0%	100.0%
Hydro-Power Revenues		0					0.0%
Other Revenues		0					
<i>Water Quality Division Revenue Generation</i>		0					0.0%
<i>All Other</i>		0					0.0%
Miscellaneous Revenues		0	8.5%	86.1%	5.5%	0.0%	100.0%
DVL Fill Power Costs from Transfer Fund		0					0.0%
PAYG from Prior Period Revenues		1,077,150	50.0%	50.0%			100.0%
Other		0					0.0%
SDCWA/MWD Exchange Agreement		0	27.4%	54.9%	17.7%		100.0%
Wheeling		0	27.4%	54.9%	17.7%		100.0%
Growth Charge/Annexation Revenues		22,642	27.4%	54.9%	17.7%	0.0%	100.0%
Subtotal: Revenue Offsets		1,924,637					0.0%
NET REVENUE REQUIREMENTS:		\$ 21,276,945					
Comparison check-sum (includes only visible line items)		\$ 21,276,945					
Check-sum difference (should be zero)		\$ -					
(if there is a check-sum error, the check-sum difference should provide a clue as to which line item is improperly hidden)							
Number of Negative Allocations (indicates an error)			0	0	0	0	0

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS							
<i>(by Group/Section)</i>							
Office of the Chief Executive Officer							
Office of Chief Executive Officer	\$ 289,226	\$ -	\$ 289,226	\$ -	\$ -	\$ -	\$ 289,226
Board of Directors	0	0	0	0	0	0	-
Subtotal: Office of the Chief Executive	289,226	0	289,226	0	0	0	289,226
External Affairs							
Legislative Services	0	0	0	0	0	0	0
Media Services	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Customer and Community	0	0	0	0	0	0	0
Subtotal: External Affairs	0	0	0	0	0	0	0
Water Systems Operations							
Office of Manager, A & G	563,252	0	563,252	0	0	0	563,252
Office of Manager, Conveyance and Distribut	56,667	0	56,667	0	0	0	56,667
Office of the Manager, Treatment Section	0	0	0	0	0	0	0
Office of the Manager, Operations Support Se	37,395	0	37,395	0	0	0	37,395
Operations Support Services, Construction Ser	0	0	0	0	0	0	0
C&D CRA Unit	9,893,405	0	9,893,405	0	0	0	9,893,405
C&D System Operations	0	0	0	0	0	0	0
Treatment Jensen	0	0	0	0	0	0	0
Treatment Diemer	0	0	0	0	0	0	0
Treatment Mills	0	0	0	0	0	0	0
Treatment Skinner	0	0	0	0	0	0	0
Treatment Weymouth	0	0	0	0	0	0	0
Water Quality Monitoring	0	0	0	0	0	0	0
C & D, Eastern Unit	0	0	0	0	0	0	0
C & D, Western Unit	0	0	0	0	0	0	0
OSS, Maintenance Support Unit	381,497	0	381,497	0	0	0	381,497
OSS, Environmental Support Unit	498,097	0	498,097	0	0	0	498,097
OSS, Fleet Maintenance	576,947	0	576,947	0	0	0	576,947
OSS, Power Support Unit	0	0	0	0	0	0	0
OSS, A&G (Project Support Team)	110,096	0	110,096	0	0	0	110,096
Subtotal: Water System Operations	12,117,357	0	12,117,357	0	0	0	12,117,357
Chief Financial Officer							
Office of the CFO	0	0	0	0	0	0	0
Subtotal: Chief Financial Officer	0	0	0	0	0	0	0
Corporate Resources							
Business Services	0	0	0	0	0	0	0
Asset Management	48,642	0	48,642	0	0	0	48,642
Engineering Services	395,285	0	395,285	0	0	0	395,285
Human Resources	820,072	0	820,072	0	0	0	820,072
Information Technology	1,230,772	0	1,230,772	0	0	0	1,230,772
Office of Manager	129,115	0	129,115	0	0	0	129,115
Subtotal: Corporate Resources	2,623,887	0	2,623,887	0	0	0	2,623,887
Water Resource Management							
Resource Planning	0	0	0	0	0	0	0
Resource Implementation	0	0	0	0	0	0	0
Office of Manager	4,018	0	4,018	0	0	0	4,018
Subtotal: Water Resource Management	4,018	0	4,018	0	0	0	4,018
Legal Department							
	0	0	0	0	0	0	0
Audit Department							
	0	0	0	0	0	0	0
Total Departmental O&M	15,034,488	0	15,034,488	0	0	0	15,034,488
GENERAL DISTRICT REQUIREMENTS							
State Water Project							
Existing Capital Costs							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Future Capital Costs	0	0	0	0	0	0	0
Minimum OMP&R							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Bay Delta Category III Funding	0	0	0	0	0	0	0
Off-Aqueduct	0	0	0	0	0	0	0
Variable Power Cost	0	0	0	0	0	0	0
SWP Credits							
Power	0	0	0	0	0	0	0
Transmission	0	0	0	0	0	0	0
Bay-Delta (Supply)	0	0	0	0	0	0	0
Subtotal: SWP	0	0	0	0	0	0	0
Colorado River Aqueduct							
Power Cost	0	0	0	0	0	0	0
CRA Supply Programs							
IID 1	0	0	0	0	0	0	0
Other # 1	0	0	0	0	0	0	0
All American and Coachella Canal Lining C	0	0	0	0	0	0	0
Other # 2	0	0	0	0	0	0	0
Storage Programs	0	0	0	0	0	0	0
Subtotal: Colorado River Aqueduct	0	0	0	0	0	0	0
Deposit to Water Transfer Fund	0	0	0	0	0	0	0
Water Management Programs							

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
	Conv.&Aqued: CRA						
Local Resources Program	0	0	0	0	0	0	0
Conservation Credits Program	0	0	0	0	0	0	0
Subtotal: WMP	0	0	0	0	0	0	0
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	3,820,436	1,048,076	2,096,152	676,208	0	0	3,820,436
G.O. Bond Debt Service	0	0	0	0	0	0	0
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0	0
Debt Defeasance/Tender	450,642	123,626	247,253	79,763	0	0	450,642
Paygo From Annual Operating Revenues	2,904,650	796,845	1,593,689	514,116	0	0	2,904,650
Subtotal: Capital Program	7,175,727	1,968,547	3,937,093	1,270,087	0	0	7,175,727
Water Quality Exchange and Transfers	0	0	0	0	0	0	0
Other Operating Costs							
Operating Equipment	855,738	0	855,738	0	0	0	855,738
Other	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0
EDMS Start-up	0	0	0	0	0	0	0
Water Standby Administration	0	0	0	0	0	0	0
Association Dues	80,143	0	80,143	0	0	0	80,143
Debt Administration	60,200	0	60,200	0	0	0	60,200
Insurance	30,704	0	30,704	0	0	0	30,704
Contingency	56,091	0	56,091	0	0	0	56,091
Miscellaneous Other O&M	0	0	0	0	0	0	0
P-1 Pumping Plant	0	0	0	0	0	0	0
Subtotal: Leases And Operating Equipment	1,082,876	0	1,082,876	0	0	0	1,082,876
Increase/(Decrease) in Required Reserves	(91,510)	(7,734)	(78,786)	(4,990)	0	0	(91,510)
Total General District Requirements	8,167,094	1,960,813	4,941,183	1,265,098	0	0	8,167,094
REQUIREMENTS BEFORE OFFSETS:	23,201,582	1,960,813	19,975,671	1,265,098	0	0	23,201,582
Revenue Offsets							
Property Tax Revenues	0	0	0	0	0	0	0
Interest	824,846	226,283	452,566	145,996	0	0	824,846
Hydro-Power Revenues	0	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0	0
<i>Water Quality Division Revenue Generation</i>	0	0	0	0	0	0	0
<i>All Other</i>	0	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	0	0	0	0
DVL Fill Power Costs from Transfer Fund	0	0	0	0	0	0	0
PAYG from Prior Period Revenues	1,077,150	538,575	538,575	0	0	0	1,077,150
Other	0	0	0	0	0	0	0
SDCWA/MWD Exchange Agreement	0	0	0	0	0	0	0
Wheeling	0	0	0	0	0	0	0
Growth Charge/Annexation Revenues	22,642	6,211	12,423	4,008	0	0	22,642
Subtotal: Revenue Offsets	1,924,637	771,070	1,003,564	150,003	0	0	1,924,637
NET REVENUE REQUIREMENTS:	\$ 21,276,945	\$ 1,189,743	\$ 18,972,107	\$ 1,115,094	\$ -	\$ -	\$ 21,276,945

FY2003	Basis of Classification	Functional Allocations:	Classification Percentages					% Total	
			Conv.&Aqded: SWP Power	Fixed			Variable		
				Demand	Commodity	Standby	Commodity		Hydroelectric
DEPARTMENTAL BUDGETS <i>(by Group/Section)</i>									
Office of the Chief Executive Officer									
	Office of Chief Executive Officer	\$ 23,721					0.0%		
	Board of Directors	0					0.0%		
	Subtotal: Office of the Chief Executive Officer	23,721		100.0%			100.0%		
External Affairs									
	Legislative Services	0					0.0%		
	Media Services	0					0.0%		
	Office of Manager	0					0.0%		
	Customer and Community	0					0.0%		
	Subtotal: External Affairs	0		100.0%			100.0%		
Water Systems Operations									
	Office of Manager, A & G	33,438		100.0%			100.0%		
	Office of Manager, Conveyance and Distribution (C&A)	0		100.0%			100.0%		
	Office of the Manager, Treatment Section	0		100.0%			100.0%		
	Office of the Manager, Operations Support Services	2,220		100.0%			100.0%		
	Operations Support Services, Construction Services Unit	0		100.0%			100.0%		
	C&D CRA Unit	0		100.0%			100.0%		
	C&D System Operations	0		100.0%			100.0%		
	Treatment Jensen	0		73.3%		26.7%	100.0%		
	Treatment Diemer	0		45.6%		54.4%	100.0%		
	Treatment Mills	0		63.8%		36.2%	100.0%		
	Treatment Skinner	0		55.2%		44.8%	100.0%		
	Treatment Weymouth	0		60.7%		39.3%	100.0%		
	Water Quality Monitoring	0		100.0%			100.0%		
	C & D, Eastern Unit	0		100.0%			100.0%		
	C & D, Western Unit	0		100.0%			100.0%		
	OSS, Maintenance Support Unit	85		100.0%			100.0%		
	OSS, Environmental Support Unit	111		100.0%			100.0%		
	OSS, Fleet Maintenance	128		100.0%			100.0%		
	OSS, Power Support Unit	679,985		100.0%			100.0%		
	OSS, A&G (Project Support Team)	24		100.0%			100.0%		
	Subtotal: Water System Operations	715,991					0.0%		
Chief Financial Officer									
	Office of the CFO	0					0.0%		
	Subtotal: Chief Financial Officer	0		100.0%			100.0%		
Corporate Resources									
	Business Services	0					0.0%		
	Asset Management	0					0.0%		
	Engineering Services	0					0.0%		
	Human Resources	63,473					0.0%		
	Information Technology	95,261					0.0%		
	Office of Manager	0					0.0%		
	Subtotal: Corporate Resources	158,733		100.0%			100.0%		
Water Resource Management									
	Resource Planning	0					0.0%		
	Resource Implementation	215,139					0.0%		
	Office of Manager	75,308					0.0%		
	Subtotal: Water Resource Management	290,447		100.0%			100.0%		
Legal Department									
		0		100.0%			100.0%		
Audit Department									
	Total Departmental O&M	1,188,893		100.0%			100.0%		
GENERAL DISTRICT REQUIREMENTS									
State Water Project									
	Existing Capital Costs								
	Transmission	0					0.0%		
	Delta-Water Charge (Supply)	0					0.0%		
	Future Capital Costs	0					0.0%		
	Minimum OMP&R								
	Transmission	0					0.0%		
	Delta-Water Charge (Supply)	0					0.0%		
	Bay Delta Category III Funding	0					0.0%		
	Off-Aqueduct	64,958,535			100.0%		100.0%		
	Variable Power Cost	59,608,711			100.0%		100.0%		
	SWP Credits								
	Power	(14,707,000)			100.0%		100.0%		
	Transmission	0					0.0%		
	Bay-Delta (Supply)	0					0.0%		
	Subtotal: SWP	109,860,245					0.0%		
Colorado River Aqueduct									
	Power Cost	0					0.0%		
	CRA Supply Programs								
	IID 1	0					0.0%		
	Other # 1	0					0.0%		
	All American and Coachella Canal Lining O&M	0					0.0%		
	Other # 2	0					0.0%		
	Storage Programs	0					0.0%		
	Subtotal: Colorado River Aqueduct	0					0.0%		
Deposit to Water Transfer Fund									
		0					0.0%		

FY2003	Basis of Classification	Functional Allocations:	Classification Percentages					% Total	
			Conv.&Aqed:	Fixed			Variable		
				Demand	Commodity	Standby	Commodity		Hydroelectric
		SWP							
	Water Management Programs								
	Local Resources Program	0						0.0%	
	Conservation Credits Program	0						0.0%	
	Subtotal: WMP	0						0.0%	
	Capital Financing Program								
	Rev Bond D/S & Increase in I&P Fund	0						0.0%	
	G.O. Bond Debt Service	0						0.0%	
	Non-Rev. Bond Var. Rate Debt Int. Pmts.	0						0.0%	
	Debt Defeasance/Tender	0						0.0%	
	Paygo From Annual Operating Revenues	0						0.0%	
	Subtotal: Capital Program	0						0.0%	
	Water Quality Exchange and Transfers	0						0.0%	
	Other Operating Costs								
	Operating Equipment	70,184		100.0%				100.0%	
	Other	0						0.0%	
	Leases	0		100.0%				100.0%	
	EDMS Start-up	0		100.0%				100.0%	
	Water Standby Administration	0		100.0%				100.0%	
	Association Dues	6,573		100.0%				100.0%	
	Debt Administration	0		100.0%				100.0%	
	Insurance	226,788		100.0%				100.0%	
	Contingency	414,308		100.0%				100.0%	
	Miscellaneous Other O&M	0		100.0%				100.0%	
	P-1 Pumping Plant	0						0.0%	
	Subtotal: Leases And Operating Equipment	717,854						0.0%	
	Increase/(Decrease) in Required Reserves	(675,917)	0.0%	1.7%	0.0%	98.3%	0.0%	100.0%	
	Total General District Requirements	109,902,182							
	REQUIREMENTS BEFORE OFFSETS:	111,091,075							
	Revenue Offsets								
	Property Tax Revenues	0						0.0%	
	Interest	3,949,428				100.0%		100.0%	
	Hydro-Power Revenues	0						0.0%	
	Other Revenues								
	<i>Water Quality Division Revenue Generation</i>	0						0.0%	
	<i>All Other</i>	0						0.0%	
	Miscellaneous Revenues	0	0.0%	0.0%	0.0%	100.0%	0.0%	100.0%	
	DVL Fill Power Costs from Transfer Fund	0						0.0%	
	PAYG from Prior Period Revenues	0						0.0%	
	Other	0						0.0%	
	SDCWA/MWD Exchange Agreement	0						0.0%	
	Wheeling	0						0.0%	
	Growth Charge/Annexation Revenues	0	0.0%	0.0%	0.0%		0.0%	0.0%	
	Subtotal: Revenue Offsets	3,949,428						0.0%	
	NET REVENUE REQUIREMENTS:	\$ 107,141,647							
	Comparison check-sum (includes only visible line items)	\$ 107,141,647							
	Check-sum difference (should be zero)	\$ -							
	(if there is a check-sum error, the check-sum difference should provide a clue as to which line item is improperly hidden)								
	Number of Negative Allocations (indicates an error)		0	0	0	0	0		

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS (by Group/Section)							
Office of the Chief Executive Officer							
Office of Chief Executive Officer	\$ 23,721	\$ -	\$ 23,721	\$ -	\$ -	\$ -	\$ 23,721
Board of Directors	0	0	0	0	0	0	-
Subtotal: Office of the Chief Executive	23,721	0	23,721	0	0	0	23,721
External Affairs							
Legislative Services	0	0	0	0	0	0	0
Media Services	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Customer and Community	0	0	0	0	0	0	0
Subtotal: External Affairs	0	0	0	0	0	0	0
Water Systems Operations							
Office of Manager, A & G	33,438	0	33,438	0	0	0	33,438
Office of Manager, Conveyance and Distribut	0	0	0	0	0	0	0
Office of the Manager, Treatment Section	0	0	0	0	0	0	0
Office of the Manager, Operations Support Se	2,220	0	2,220	0	0	0	2,220
Operations Support Services,Construction Ser	0	0	0	0	0	0	0
C&D CRA Unit	0	0	0	0	0	0	0
C&D System Operations	0	0	0	0	0	0	0
Treatment Jensen	0	0	0	0	0	0	0
Treatment Diemer	0	0	0	0	0	0	0
Treatment Mills	0	0	0	0	0	0	0
Treatment Skinner	0	0	0	0	0	0	0
Treatment Weymouth	0	0	0	0	0	0	0
Water Quality Monitoring	0	0	0	0	0	0	0
C & D, Eastern Unit	0	0	0	0	0	0	0
C & D, Western Unit	0	0	0	0	0	0	0
OSS, Maintenance Support Unit	85	0	85	0	0	0	85
OSS, Environmental Support Unit	111	0	111	0	0	0	111
OSS, Fleet Maintenance	128	0	128	0	0	0	128
OSS, Power Support Unit	679,985	0	679,985	0	0	0	679,985
OSS, A&G (Project Support Team)	24	0	24	0	0	0	24
Subtotal: Water System Operations	715,991	0	715,991	0	0	0	715,991
Chief Financial Officer							
Office of the CFO	0	0	0	0	0	0	0
Subtotal: Chief Financial Officer	0	0	0	0	0	0	0
Corporate Resources							
Business Services	0	0	0	0	0	0	0
Asset Management	0	0	0	0	0	0	0
Engineering Services	0	0	0	0	0	0	0
Human Resources	63,473	0	63,473	0	0	0	63,473
Information Technology	95,261	0	95,261	0	0	0	95,261
Office of Manager	0	0	0	0	0	0	0
Subtotal: Corporate Resources	158,733	0	158,733	0	0	0	158,733
Water Resource Management							
Resource Planning	0	0	0	0	0	0	0
Resource Implementation	215,139	0	215,139	0	0	0	215,139
Office of Manager	75,308	0	75,308	0	0	0	75,308
Subtotal: Water Resource Management	290,447	0	290,447	0	0	0	290,447
Legal Department							
	0	0	0	0	0	0	0
Audit Department							
	0	0	0	0	0	0	0
Total Departmental O&M	1,188,893	0	1,188,893	0	0	0	1,188,893
GENERAL DISTRICT REQUIREMENTS							
State Water Project							
Existing Capital Costs							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Future Capital Costs							
Minimum OMP&R	0	0	0	0	0	0	0
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Bay Delta Category III Funding	0	0	0	0	0	0	0
Off-Aqueduct	64,958,535	0	0	0	64,958,535	0	64,958,535
Variable Power Cost	59,608,711	0	0	0	59,608,711	0	59,608,711
SWP Credits							
Power	(14,707,000)	0	0	0	(14,707,000)	0	(14,707,000)
Transmission	0	0	0	0	0	0	0
Bay-Delta (Supply)	0	0	0	0	0	0	0
Subtotal: SWP	109,860,245	0	0	0	109,860,245	0	109,860,245
Colorado River Aqueduct							
Power Cost	0	0	0	0	0	0	0
CRA Supply Programs							
IID 1	0	0	0	0	0	0	0
Other # 1	0	0	0	0	0	0	0
All American and Coachella Canal Lining C	0	0	0	0	0	0	0
Other # 2	0	0	0	0	0	0	0
Storage Programs	0	0	0	0	0	0	0
Subtotal: Colorado River Aqueduct	0	0	0	0	0	0	0
Deposit to Water Transfer Fund							
	0	0	0	0	0	0	0

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
	Conv.&Aq: SWP						
Water Management Programs							
Local Resources Program	0	0	0	0	0	0	0
Conservation Credits Program	0	0	0	0	0	0	0
Subtotal: WMP	0	0	0	0	0	0	0
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	0	0	0	0	0	0	0
G.O. Bond Debt Service	0	0	0	0	0	0	0
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0	0
Debt Defeasance/Tender	0	0	0	0	0	0	0
Paygo From Annual Operating Revenues	0	0	0	0	0	0	0
Subtotal: Capital Program	0	0	0	0	0	0	0
Water Quality Exchange and Transfers	0	0	0	0	0	0	0
Other Operating Costs							
Operating Equipment	70,184	0	70,184	0	0	0	70,184
Other	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0
EDMS Start-up	0	0	0	0	0	0	0
Water Standby Administration	0	0	0	0	0	0	0
Association Dues	6,573	0	6,573	0	0	0	6,573
Debt Administration	0	0	0	0	0	0	0
Insurance	226,788	0	226,788	0	0	0	226,788
Contingency	414,308	0	414,308	0	0	0	414,308
Miscellaneous Other O&M	0	0	0	0	0	0	0
P-1 Pumping Plant	0	0	0	0	0	0	0
Subtotal: Leases And Operating Equipment	717,854	0	717,854	0	0	0	717,854
Increase/(Decrease) in Required Reserves	(675,917)	0	(11,531)	0	(664,386)	0	(675,917)
Total General District Requirements	109,902,182	0	706,323	0	109,195,860	0	109,902,182
REQUIREMENTS BEFORE OFFSETS:	111,091,075	0	1,895,215	0	109,195,860	0	111,091,075
Revenue Offsets							
Property Tax Revenues	0	0	0	0	0	0	0
Interest	3,949,428	0	0	0	3,949,428	0	3,949,428
Hydro-Power Revenues	0	0	0	0	0	0	0
Other Revenues							
<i>Water Quality Division Revenue Generation</i>	0	0	0	0	0	0	0
<i>All Other</i>	0	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	0	0	0	0
DVL Fill Power Costs from Transfer Fund	0	0	0	0	0	0	0
PAYG from Prior Period Revenues	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
SDCWA/MWD Exchange Agreement	0	0	0	0	0	0	0
Wheeling	0	0	0	0	0	0	0
Growth Charge/Annexation Revenues	0	0	0	0	0	0	0
Subtotal: Revenue Offsets	3,949,428	0	0	0	3,949,428	0	3,949,428
NET REVENUE REQUIREMENTS:	\$ 107,141,647	\$ -	\$ 1,895,215	\$ -	##### \$ -	\$ -	\$ 107,141,647

FY2003	Basis of Classification	Functional Allocations: Conv.&Aqed: SWP All Other	Classification Percentages					% Total
			Fixed			Variable		
			Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS <i>(by Group/Section)</i>								
Office of the Chief Executive Officer								
	Office of Chief Executive Officer	\$ 25,617						0.0%
	Board of Directors	0						0.0%
	Subtotal: Office of the Chief Executive Officer	25,617		100.0%				100.0%
External Affairs								
	Legislative Services	0						0.0%
	Media Services	0						0.0%
	Office of Manager	0						0.0%
	Customer and Community	0						0.0%
	Subtotal: External Affairs	0		100.0%				100.0%
Water Systems Operations								
	Office of Manager, A & G	0		100.0%				100.0%
	Office of Manager, Conveyance and Distribution (C&A)	0		100.0%				100.0%
	Office of the Manager, Treatment Section	0		100.0%				100.0%
	Office of the Manager, Operations Support Services	0		100.0%				100.0%
	Operations Support Services, Construction Services Unit	0		100.0%				100.0%
	C&D CRA Unit	0		100.0%				100.0%
	C&D System Operations	0		100.0%				100.0%
	Treatment Jensen	0		73.3%		26.7%		100.0%
	Treatment Diemer	0		45.6%		54.4%		100.0%
	Treatment Mills	0		63.8%		36.2%		100.0%
	Treatment Skinner	0		55.2%		44.8%		100.0%
	Treatment Weymouth	0		60.7%		39.3%		100.0%
	Water Quality Monitoring	0		100.0%				100.0%
	C & D, Eastern Unit	0		100.0%				100.0%
	C & D, Western Unit	0		100.0%				100.0%
	OSS, Maintenance Support Unit	0		100.0%				100.0%
	OSS, Environmental Support Unit	0		100.0%				100.0%
	OSS, Fleet Maintenance	0		100.0%				100.0%
	OSS, Power Support Unit	0		100.0%				100.0%
	OSS, A&G (Project Support Team)	0		100.0%				100.0%
	Subtotal: Water System Operations	0						0.0%
Chief Financial Officer								
	Office of the CFO	0						0.0%
	Subtotal: Chief Financial Officer	0		100.0%				100.0%
Corporate Resources								
	Business Services	0						0.0%
	Asset Management	0						0.0%
	Engineering Services	0						0.0%
	Human Resources	69,888						0.0%
	Information Technology	104,888						0.0%
	Office of Manager	0						0.0%
	Subtotal: Corporate Resources	174,775		100.0%				100.0%
Water Resource Management								
	Resource Planning	0						0.0%
	Resource Implementation	1,157,959						0.0%
	Office of Manager	83,255						0.0%
	Subtotal: Water Resource Management	1,241,214		100.0%				100.0%
Legal Department								
		0		100.0%				100.0%
Audit Department								
	Total Departmental O&M	0		100.0%				100.0%
		1,441,606						0.0%
GENERAL DISTRICT REQUIREMENTS								
State Water Project								
	Existing Capital Costs							
	Transmission							
	Delta-Water Charge (Supply)	132,181,162	27.4%	54.9%	17.7%	0.0%		100.0%
	Future Capital Costs	0						0.0%
	Minimum OMP&R							
	Transmission							
	Delta-Water Charge (Supply)	83,156,182		100.0%		0.0%		100.0%
	Bay Delta Category III Funding	0						0.0%
	Off-Aqueduct	0						0.0%
	Variable Power Cost	0						0.0%
	SWP Credits							
	Power							
	Transmission							
	Bay-Delta (Supply)	(33,333,000)	27.4%	54.9%	17.7%	0.0%	0.0%	100.0%
	Subtotal: SWP	0		100.0%		0.0%	0.0%	100.0%
		182,004,344						0.0%
Colorado River Aqueduct								
	Power Cost	0						0.0%
	CRA Supply Programs							
	IID 1	0						0.0%
	Other # 1	0						0.0%
	All American and Coachella Canal Lining O&M	0						0.0%
	Other # 2	0						0.0%
	Storage Programs	0						0.0%
	Subtotal: Colorado River Aqueduct	0						0.0%
Deposit to Water Transfer Fund								
		0						0.0%
Water Management Programs								

FY2003	Basis of Classification	Functional Allocations:	Classification Percentages					% Total	
			Conv.&Aq: SWP	Fixed			Variable		
				Demand	Commodity	Standby	Commodity		Hydroelectric
Local Resources Program		0						0.0%	
Conservation Credits Program		0						0.0%	
Subtotal: WMP		0						0.0%	
Capital Financing Program									
Rev Bond D/S & Increase in I&P Fund		0						0.0%	
G.O. Bond Debt Service		0						0.0%	
Non-Rev. Bond Var. Rate Debt Int. Pmts.		0						0.0%	
Debt Defeasance/Tender		0						0.0%	
Paygo From Annual Operating Revenues		0						0.0%	
Subtotal: Capital Program		0						0.0%	
Water Quality Exchange and Transfers		0						0.0%	
Other Operating Costs									
Operating Equipment		75,792		100.0%				100.0%	
Other		0						0.0%	
Leases		0		100.0%				100.0%	
EDMS Start-up		0		100.0%				100.0%	
Water Standby Administration		0		100.0%				100.0%	
Association Dues		7,098		100.0%				100.0%	
Debt Administration		0		100.0%				100.0%	
Insurance		374,640		100.0%				100.0%	
Contingency		684,410		100.0%				100.0%	
Miscellaneous Other O&M		0		100.0%				100.0%	
P-1 Pumping Plant		0						0.0%	
Subtotal: Leases And Operating Equipment		1,141,940						0.0%	
Increase/(Decrease) in Required Reserves		(1,116,571)	14.7%	75.8%	9.5%	0.0%	0.0%	100.0%	
Total General District Requirements		182,029,713							
REQUIREMENTS BEFORE OFFSETS:		183,471,319							
Revenue Offsets									
Property Tax Revenues		50,261,048	50.1%	17.6%	32.3%	0.0%	0.0%	100.0%	
Interest		6,522,637	27.4%	54.9%	17.7%	0.0%		100.0%	
Hydro-Power Revenues		0						0.0%	
Other Revenues		0						0.0%	
<i>Water Quality Division Revenue Generation</i>		0						0.0%	
<i>All Other</i>		0						0.0%	
Miscellaneous Revenues		0	14.7%	75.8%	9.5%	0.0%	0.0%	100.0%	
DVL Fill Power Costs from Transfer Fund		0						0.0%	
PAYG from Prior Period Revenues		0						0.0%	
Other		0						0.0%	
SDCWA/MWD Exchange Agreement		0	27.4%	54.9%	17.7%			100.0%	
Wheeling		0	27.4%	54.9%	17.7%			100.0%	
Growth Charge/Annexation Revenues		0	27.4%	54.9%	17.7%		0.0%	100.0%	
Subtotal: Revenue Offsets		56,783,685						0.0%	
NET REVENUE REQUIREMENTS:		\$ 126,687,634							
Comparison check-sum (includes only visible line items)		\$ 126,687,634							
Check-sum difference (should be zero)		\$ -							
(if there is a check-sum error, the check-sum difference should provide a clue as to which line item is improperly hidden)									
Number of Negative Allocations (indicates an error)			0	0	0	0	0	0	

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS							
<i>(by Group/Section)</i>							
Office of the Chief Executive Officer							
Office of Chief Executive Officer	\$ 25,617	\$ -	\$ 25,617	\$ -	\$ -	\$ -	\$ 25,617
Board of Directors	0	0	0	0	0	0	-
Subtotal: Office of the Chief Executive	25,617	0	25,617	0	0	0	25,617
External Affairs							
Legislative Services	0	0	0	0	0	0	0
Media Services	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Customer and Community	0	0	0	0	0	0	0
Subtotal: External Affairs	0	0	0	0	0	0	0
Water Systems Operations							
Office of Manager, A & G	0	0	0	0	0	0	0
Office of Manager, Conveyance and Distribution	0	0	0	0	0	0	0
Office of the Manager, Treatment Section	0	0	0	0	0	0	0
Office of the Manager, Operations Support Section	0	0	0	0	0	0	0
Operations Support Services, Construction Services	0	0	0	0	0	0	0
C&D CRA Unit	0	0	0	0	0	0	0
C&D System Operations	0	0	0	0	0	0	0
Treatment Jensen	0	0	0	0	0	0	0
Treatment Diemer	0	0	0	0	0	0	0
Treatment Mills	0	0	0	0	0	0	0
Treatment Skinner	0	0	0	0	0	0	0
Treatment Weymouth	0	0	0	0	0	0	0
Water Quality Monitoring	0	0	0	0	0	0	0
C & D, Eastern Unit	0	0	0	0	0	0	0
C & D, Western Unit	0	0	0	0	0	0	0
OSS, Maintenance Support Unit	0	0	0	0	0	0	0
OSS, Environmental Support Unit	0	0	0	0	0	0	0
OSS, Fleet Maintenance	0	0	0	0	0	0	0
OSS, Power Support Unit	0	0	0	0	0	0	0
OSS, A&G (Project Support Team)	0	0	0	0	0	0	0
Subtotal: Water System Operations	0	0	0	0	0	0	0
Chief Financial Officer							
Office of the CFO	0	0	0	0	0	0	0
Subtotal: Chief Financial Officer	0	0	0	0	0	0	0
Corporate Resources							
Business Services	0	0	0	0	0	0	0
Asset Management	0	0	0	0	0	0	0
Engineering Services	0	0	0	0	0	0	0
Human Resources	69,888	0	69,888	0	0	0	69,888
Information Technology	104,888	0	104,888	0	0	0	104,888
Office of Manager	0	0	0	0	0	0	0
Subtotal: Corporate Resources	174,775	0	174,775	0	0	0	174,775
Water Resource Management							
Resource Planning	0	0	0	0	0	0	0
Resource Implementation	1,157,959	0	1,157,959	0	0	0	1,157,959
Office of Manager	83,255	0	83,255	0	0	0	83,255
Subtotal: Water Resource Management	1,241,214	0	1,241,214	0	0	0	1,241,214
Legal Department							
	0	0	0	0	0	0	0
Audit Department							
	0	0	0	0	0	0	0
Total Departmental O&M	1,441,606	0	1,441,606	0	0	0	1,441,606
GENERAL DISTRICT REQUIREMENTS							
State Water Project							
Existing Capital Costs							
Transmission	132,181,162	36,261,799	72,523,598	23,395,765	0	0	132,181,162
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Future Capital Costs	0	0	0	0	0	0	0
Minimum OMP&R							
Transmission	83,156,182	0	83,156,182	0	0	0	83,156,182
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Bay Delta Category III Funding	0	0	0	0	0	0	0
Off-Aqueduct	0	0	0	0	0	0	0
Variable Power Cost	0	0	0	0	0	0	0
SWP Credits							
Power	0	0	0	0	0	0	0
Transmission	(33,333,000)	(9,144,378)	(18,288,757)	(5,899,865)	0	0	(33,333,000)
Bay-Delta (Supply)	0	0	0	0	0	0	0
Subtotal: SWP	182,004,344	27,117,421	137,391,023	17,495,900	0	0	182,004,344
Colorado River Aqueduct							
Power Cost	0	0	0	0	0	0	0
CRA Supply Programs							
IID 1	0	0	0	0	0	0	0
Other # 1	0	0	0	0	0	0	0
All American and Coachella Canal Lining C	0	0	0	0	0	0	0
Other # 2	0	0	0	0	0	0	0
Storage Programs	0	0	0	0	0	0	0
Subtotal: Colorado River Aqueduct	0	0	0	0	0	0	0
Deposit to Water Transfer Fund							
	0	0	0	0	0	0	0
Water Management Programs							

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
	Conv.&Aq: SWP						
Local Resources Program	0	0	0	0	0	0	0
Conservation Credits Program	0	0	0	0	0	0	0
Subtotal: WMP	0	0	0	0	0	0	0
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	0	0	0	0	0	0	0
G.O. Bond Debt Service	0	0	0	0	0	0	0
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0	0
Debt Defeasance/Tender	0	0	0	0	0	0	0
Paygo From Annual Operating Revenues	0	0	0	0	0	0	0
Subtotal: Capital Program	0	0	0	0	0	0	0
Water Quality Exchange and Transfers	0	0	0	0	0	0	0
Other Operating Costs							
Operating Equipment	75,792	0	75,792	0	0	0	75,792
Other	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0
EDMS Start-up	0	0	0	0	0	0	0
Water Standby Administration	0	0	0	0	0	0	0
Association Dues	7,098	0	7,098	0	0	0	7,098
Debt Administration	0	0	0	0	0	0	0
Insurance	374,640	0	374,640	0	0	0	374,640
Contingency	684,410	0	684,410	0	0	0	684,410
Miscellaneous Other O&M	0	0	0	0	0	0	0
P-1 Pumping Plant	0	0	0	0	0	0	0
Subtotal: Leases And Operating Equipment	1,141,940	0	1,141,940	0	0	0	1,141,940
Increase/(Decrease) in Required Reserves	(1,116,571)	(164,033)	(846,705)	(105,833)	0	0	(1,116,571)
Total General District Requirements	182,029,713	26,953,388	137,686,258	17,390,067	0	0	182,029,713
REQUIREMENTS BEFORE OFFSETS:	183,471,319	26,953,388	139,127,864	17,390,067	0	0	183,471,319
Revenue Offsets							
Property Tax Revenues	50,261,048	25,164,006	8,861,467	16,235,575	0	0	50,261,048
Interest	6,522,637	1,789,382	3,578,763	1,154,492	0	0	6,522,637
Hydro-Power Revenues	0	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0	0
<i>Water Quality Division Revenue Generation</i>	0	0	0	0	0	0	0
<i>All Other</i>	0	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	0	0	0	0
DVL Fill Power Costs from Transfer Fund	0	0	0	0	0	0	0
PAYG from Prior Period Revenues	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
SDCWA/MWD Exchange Agreement	0	0	0	0	0	0	0
Wheeling	0	0	0	0	0	0	0
Growth Charge/Annexation Revenues	0	0	0	0	0	0	0
Subtotal: Revenue Offsets	56,783,685	26,953,388	12,440,230	17,390,067	0	0	56,783,685
NET REVENUE REQUIREMENTS:	\$ 126,687,634	\$ -	\$ 126,687,634	\$ -	\$ -	\$ -	\$ 126,687,634

FY2003	Basis of Classification	Functional Allocations:	Classification Percentages					% Total	
			Other Conv. & Aqueduct	Fixed			Variable		
				Demand	Commodity	Standby	Commodity		Hydroelectric
DEPARTMENTAL BUDGETS									
<i>(by Group/Section)</i>									
Office of the Chief Executive Officer									
		\$ 55,445					0.0%		
		0					0.0%		
	Subtotal: Office of the Chief Executive Officer	55,445		100.0%			100.0%		
External Affairs									
	Legislative Services	0					0.0%		
	Media Services	0					0.0%		
	Office of Manager	0					0.0%		
	Customer and Community	0					0.0%		
	Subtotal: External Affairs	0		100.0%			100.0%		
Water Systems Operations									
	Office of Manager, A & G	0		100.0%			100.0%		
	Office of Manager, Conveyance and Distribution (C&A)	0		100.0%			100.0%		
	Office of the Manager, Treatment Section	0		100.0%			100.0%		
	Office of the Manager, Operations Support Services	0		100.0%			100.0%		
	Operations Support Services, Construction Services Unit	0		100.0%			100.0%		
	C&D CRA Unit	0		100.0%			100.0%		
	C&D System Operations	0		100.0%			100.0%		
	Treatment Jensen	0		73.3%		26.7%	100.0%		
	Treatment Diemer	0		45.6%		54.4%	100.0%		
	Treatment Mills	0		63.8%		36.2%	100.0%		
	Treatment Skinner	0		55.2%		44.8%	100.0%		
	Treatment Weymouth	0		60.7%		39.3%	100.0%		
	Water Quality Monitoring	0		100.0%			100.0%		
	C & D, Eastern Unit	0		100.0%			100.0%		
	C & D, Western Unit	0		100.0%			100.0%		
	OSS, Maintenance Support Unit	0		100.0%			100.0%		
	OSS, Environmental Support Unit	0		100.0%			100.0%		
	OSS, Fleet Maintenance	0		100.0%			100.0%		
	OSS, Power Support Unit	0		100.0%			100.0%		
	OSS, A&G (Project Support Team)	0		100.0%			100.0%		
	Subtotal: Water System Operations	0					0.0%		
Chief Financial Officer									
	Office of the CFO	0					0.0%		
	Subtotal: Chief Financial Officer	0		100.0%			100.0%		
Corporate Resources									
	Business Services	0					0.0%		
	Asset Management	155,029					0.0%		
	Engineering Services	2,345,050					0.0%		
	Human Resources	10,201					0.0%		
	Information Technology	15,309					0.0%		
	Office of Manager	0					0.0%		
	Subtotal: Corporate Resources	2,525,589		100.0%			100.0%		
Water Resource Management									
	Resource Planning	0					0.0%		
	Resource Implementation	0					0.0%		
	Office of Manager	0					0.0%		
	Subtotal: Water Resource Management	0		100.0%			100.0%		
Legal Department									
		0		100.0%			100.0%		
Audit Department									
	Total Departmental O&M	2,581,033					0.0%		
GENERAL DISTRICT REQUIREMENTS									
State Water Project									
	Existing Capital Costs								
	Transmission	0					0.0%		
	Delta-Water Charge (Supply)	0					0.0%		
	Future Capital Costs	0					0.0%		
	Minimum OMP&R								
	Transmission	0					0.0%		
	Delta-Water Charge (Supply)	0					0.0%		
	Bay Delta Category III Funding	0					0.0%		
	Off-Aqueduct	0					0.0%		
	Variable Power Cost	0					0.0%		
	SWP Credits								
	Power	0					0.0%		
	Transmission	0					0.0%		
	Bay-Delta (Supply)	0					0.0%		
	Subtotal: SWP	0					0.0%		
Colorado River Aqueduct									
	Power Cost	0					0.0%		
	CRA Supply Programs								
	IID 1	0					0.0%		
	Other # 1	0					0.0%		
	All American and Coachella Canal Lining O&M	0					0.0%		
	Other # 2	0					0.0%		
	Storage Programs	0					0.0%		
	Subtotal: Colorado River Aqueduct	0					0.0%		
Deposit to Water Transfer Fund									
		0					0.0%		
Water Management Programs									

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Basis of Classification	Functional Allocations: Other Conv. &	Classification Percentages					% Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
Local Resources Program	0						0.0%
Conservation Credits Program	0						0.0%
Subtotal: WMP	0						0.0%
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	22,664,925						0.0%
G.O. Bond Debt Service	0						0.0%
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0						0.0%
Debt Defeasance/Tender	2,673,454						0.0%
Paygo From Annual Operating Revenues	17,231,981						0.0%
Subtotal: Capital Program	42,570,360	27.4%	54.9%	17.7%			100.0%
Water Quality Exchange and Transfers	0						0.0%
Other Operating Costs							
Operating Equipment	164,045		100.0%				100.0%
Other	0						0.0%
Leases	0		100.0%				100.0%
EDMS Start-up	0		100.0%				100.0%
Water Standby Administration	0		100.0%				100.0%
Association Dues	15,363		100.0%				100.0%
Debt Administration	357,139		100.0%				100.0%
Insurance	5,271		100.0%				100.0%
Contingency	9,629		100.0%				100.0%
Miscellaneous Other O&M	0		100.0%				100.0%
P-1 Pumping Plant	0						0.0%
Subtotal: Leases And Operating Equipment	551,448						0.0%
Increase/(Decrease) in Required Reserves	(15,710)		100.0%				100.0%
Total General District Requirements	43,106,098						
REQUIREMENTS BEFORE OFFSETS:	45,687,131						
Revenue Offsets							
Property Tax Revenues	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest	1,624,235	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Hydro-Power Revenues	0						0.0%
Other Revenues	0						0.0%
<i>Water Quality Division Revenue Generation</i>	0						0.0%
<i>All Other</i>	0						0.0%
Miscellaneous Revenues	0	27.4%	54.9%	17.7%			100.0%
DVL Fill Power Costs from Transfer Fund	0						0.0%
PAYG from Prior Period Revenues	6,390,246	27.4%	54.9%	17.7%			100.0%
Other	0						0.0%
SDCWA/MWD Exchange Agreement	0	27.4%	54.9%	17.7%			100.0%
Wheeling	0	27.4%	54.9%	17.7%			100.0%
Growth Charge/Annexation Revenues	134,322	27.4%	54.9%	17.7%			100.0%
Subtotal: Revenue Offsets	8,148,803						0.0%
NET REVENUE REQUIREMENTS:	\$ 37,538,328						
Comparison check-sum (includes only visible line items)	\$ 37,538,328						
Check-sum difference (should be zero)	\$ -						
(if there is a check-sum error, the check-sum difference should provide a clue as to which line item is improperly hidden)							
Number of Negative Allocations (indicates an error)		0	0	0	0	0	

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS							
<i>(by Group/Section)</i>							
Office of the Chief Executive Officer							
Office of Chief Executive Officer	\$ 55,445	\$ -	\$ 55,445	\$ -	\$ -	\$ -	\$ 55,445
Board of Directors	0	0	0	0	0	0	-
Subtotal: Office of the Chief Executive	55,445	0	55,445	0	0	0	55,445
External Affairs							
Legislative Services	0	0	0	0	0	0	0
Media Services	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Customer and Community	0	0	0	0	0	0	0
Subtotal: External Affairs	0	0	0	0	0	0	0
Water Systems Operations							
Office of Manager, A & G	0	0	0	0	0	0	0
Office of Manager, Conveyance and Distribut	0	0	0	0	0	0	0
Office of the Manager, Treatment Section	0	0	0	0	0	0	0
Office of the Manager, Operations Support Se	0	0	0	0	0	0	0
Operations Support Services,Construction Ser	0	0	0	0	0	0	0
C&D CRA Unit	0	0	0	0	0	0	0
C&D System Operations	0	0	0	0	0	0	0
Treatment Jensen	0	0	0	0	0	0	0
Treatment Diemer	0	0	0	0	0	0	0
Treatment Mills	0	0	0	0	0	0	0
Treatment Skinner	0	0	0	0	0	0	0
Treatment Weymouth	0	0	0	0	0	0	0
Water Quality Monitoring	0	0	0	0	0	0	0
C & D, Eastern Unit	0	0	0	0	0	0	0
C & D, Western Unit	0	0	0	0	0	0	0
OSS, Maintenance Support Unit	0	0	0	0	0	0	0
OSS, Environmental Support Unit	0	0	0	0	0	0	0
OSS, Fleet Maintenance	0	0	0	0	0	0	0
OSS, Power Support Unit	0	0	0	0	0	0	0
OSS, A&G (Project Support Team)	0	0	0	0	0	0	0
Subtotal: Water System Operations	0	0	0	0	0	0	0
Chief Financial Officer							
Office of the CFO	0	0	0	0	0	0	0
Subtotal: Chief Financial Officer	0	0	0	0	0	0	0
Corporate Resources							
Business Services	0	0	0	0	0	0	0
Asset Management	155,029	0	155,029	0	0	0	155,029
Engineering Services	2,345,050	0	2,345,050	0	0	0	2,345,050
Human Resources	10,201	0	10,201	0	0	0	10,201
Information Technology	15,309	0	15,309	0	0	0	15,309
Office of Manager	0	0	0	0	0	0	0
Subtotal: Corporate Resources	2,525,589	0	2,525,589	0	0	0	2,525,589
Water Resource Management							
Resource Planning	0	0	0	0	0	0	0
Resource Implementation	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Subtotal: Water Resource Management	0	0	0	0	0	0	0
Legal Department							
	0	0	0	0	0	0	0
Audit Department							
	0	0	0	0	0	0	0
Total Departmental O&M	2,581,033	0	2,581,033	0	0	0	2,581,033
GENERAL DISTRICT REQUIREMENTS							
State Water Project							
Existing Capital Costs							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Future Capital Costs	0	0	0	0	0	0	0
Minimum OMP&R							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Bay Delta Category III Funding	0	0	0	0	0	0	0
Off-Aqueduct	0	0	0	0	0	0	0
Variable Power Cost	0	0	0	0	0	0	0
SWP Credits							
Power	0	0	0	0	0	0	0
Transmission	0	0	0	0	0	0	0
Bay-Delta (Supply)	0	0	0	0	0	0	0
Subtotal: SWP	0	0	0	0	0	0	0
Colorado River Aqueduct							
Power Cost	0	0	0	0	0	0	0
CRA Supply Programs							
IID 1	0	0	0	0	0	0	0
Other # 1	0	0	0	0	0	0	0
All American and Coachella Canal Lining C	0	0	0	0	0	0	0
Other # 2	0	0	0	0	0	0	0
Storage Programs	0	0	0	0	0	0	0
Subtotal: Colorado River Aqueduct	0	0	0	0	0	0	0
Deposit to Water Transfer Fund							
	0	0	0	0	0	0	0
Water Management Programs							

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
	Other Conv. &						
Local Resources Program	0	0	0	0	0	0	0
Conservation Credits Program	0	0	0	0	0	0	0
Subtotal: WMP	0	0	0	0	0	0	0
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	22,664,925	6,217,762	12,435,523	4,011,640	0	0	22,664,925
G.O. Bond Debt Service	0	0	0	0	0	0	0
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0	0
Debt Defeasance/Tender	2,673,454	733,420	1,466,839	473,195	0	0	2,673,454
Paygo From Annual Operating Revenues	17,231,981	4,727,320	9,454,640	3,050,021	0	0	17,231,981
Subtotal: Capital Program	42,570,360	11,678,501	23,357,002	7,534,857	0	0	42,570,360
Water Quality Exchange and Transfers	0	0	0	0	0	0	0
Other Operating Costs							
Operating Equipment	164,045	0	164,045	0	0	0	164,045
Other	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0
EDMS Start-up	0	0	0	0	0	0	0
Water Standby Administration	0	0	0	0	0	0	0
Association Dues	15,363	0	15,363	0	0	0	15,363
Debt Administration	357,139	0	357,139	0	0	0	357,139
Insurance	5,271	0	5,271	0	0	0	5,271
Contingency	9,629	0	9,629	0	0	0	9,629
Miscellaneous Other O&M	0	0	0	0	0	0	0
P-1 Pumping Plant	0	0	0	0	0	0	0
Subtotal: Leases And Operating Equipment	551,448	0	551,448	0	0	0	551,448
Increase/(Decrease) in Required Reserves	(15,710)	0	(15,710)	0	0	0	(15,710)
Total General District Requirements	43,106,098	11,678,501	23,892,740	7,534,857	0	0	43,106,098
REQUIREMENTS BEFORE OFFSETS:	45,687,131	11,678,501	26,473,773	7,534,857	0	0	45,687,131
Revenue Offsets							
Property Tax Revenues	0	0	0	0	0	0	0
Interest	1,624,235	1,624,235	0	0	0	0	1,624,235
Hydro-Power Revenues	0	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0	0
<i>Water Quality Division Revenue Generation</i>	0	0	0	0	0	0	0
<i>All Other</i>	0	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	0	0	0	0
DVL Fill Power Costs from Transfer Fund	0	0	0	0	0	0	0
PAYG from Prior Period Revenues	6,390,246	1,753,062	3,506,125	1,131,059	0	0	6,390,246
Other	0	0	0	0	0	0	0
SDCWA/MWD Exchange Agreement	0	0	0	0	0	0	0
Wheeling	0	0	0	0	0	0	0
Growth Charge/Annexation Revenues	134,322	36,849	73,698	23,775	0	0	134,322
Subtotal: Revenue Offsets	8,148,803	3,414,147	3,579,823	1,154,834	0	0	8,148,803
NET REVENUE REQUIREMENTS:	\$ 37,538,328	\$ 8,264,354	\$ 22,893,950	\$ 6,380,023	\$ -	\$ -	\$ 37,538,328

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Basis of Classification	Functional Allocations:	Classification Percentages					% Total
		Storage Emergency	Fixed			Variable	
			Demand	Commodity	Standby	Commodity	
DEPARTMENTAL BUDGETS							
<i>(by Group/Section)</i>							
Office of the Chief Executive Officer							
Office of Chief Executive Officer	\$ 102,779						0.0%
Board of Directors	0						0.0%
Subtotal: Office of the Chief Executive Officer	102,779			100.0%			100.0%
External Affairs							
Legislative Services	0						0.0%
Media Services	0						0.0%
Office of Manager	0						0.0%
Customer and Community	0						0.0%
Subtotal: External Affairs	0			100.0%			100.0%
Water Systems Operations							
Office of Manager, A & G	26,400						0.0%
Office of Manager, Conveyance and Distribution (C&A)	0						0.0%
Office of the Manager, Treatment Section	0						0.0%
Office of the Manager, Operations Support Services	1,753						0.0%
Operations Support Services, Construction Services Unit	42,307						0.0%
C&D CRA Unit	0						0.0%
C&D System Operations	0						0.0%
Treatment Jensen	0						0.0%
Treatment Diemer	0						0.0%
Treatment Mills	0						0.0%
Treatment Skinner	0						0.0%
Treatment Weymouth	0						0.0%
Water Quality Monitoring	421,756						0.0%
C & D, Eastern Unit	0						0.0%
C & D, Western Unit	0						0.0%
OSS, Maintenance Support Unit	17,793						0.0%
OSS, Environmental Support Unit	23,231						0.0%
OSS, Fleet Maintenance	26,909						0.0%
OSS, Power Support Unit	0						0.0%
OSS, A&G (Project Support Team)	5,135						0.0%
Subtotal: Water System Operations	565,284			100.0%			100.0%
Chief Financial Officer							
Office of the CFO	0						0.0%
Subtotal: Chief Financial Officer	0			100.0%			100.0%
Corporate Resources							
Business Services	0						0.0%
Asset Management	307,892						0.0%
Engineering Services	3,528,210						0.0%
Human Resources	104,568						0.0%
Information Technology	156,936						0.0%
Office of Manager	0						0.0%
Subtotal: Corporate Resources	4,097,607			100.0%			100.0%
Water Resource Management							
Resource Planning	58,474						0.0%
Resource Implementation	0						0.0%
Office of Manager	18,943						0.0%
Subtotal: Water Resource Management	77,417			100.0%			100.0%
Legal Department							
	0			100.0%			100.0%
Audit Department							
	0			100.0%			100.0%
Total Departmental O&M	4,843,086						0.0%
GENERAL DISTRICT REQUIREMENTS							
State Water Project							
Existing Capital Costs							
Transmission	0						0.0%
Delta-Water Charge (Supply)	0						0.0%
Future Capital Costs	0						0.0%
Minimum OMP&R							
Transmission	0						0.0%
Delta-Water Charge (Supply)	0						0.0%
Bay Delta Category III Funding	0						0.0%
Off-Aqueduct	0						0.0%
Variable Power Cost	0						0.0%
SWP Credits							
Power	0						0.0%
Transmission	0						0.0%
Bay-Delta (Supply)	0						0.0%
Subtotal: SWP	0						0.0%
Colorado River Aqueduct							
Power Cost	0						0.0%
CRA Supply Programs							
IID 1	0						0.0%
Other # 1	0						0.0%
All American and Coachella Canal Lining O&M	0						0.0%
Other # 2	0						0.0%
Storage Programs	0						0.0%
Subtotal: Colorado River Aqueduct	0						0.0%
Deposit to Water Transfer Fund							
	0						0.0%
Water Management Programs							

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Basis of Classification	Functional Allocations:	Classification Percentages					% Total
		Storage Emergency	Fixed			Variable	
	Demand		Commodity	Standby	Commodity	Hydroelectric	
Local Resources Program		0					0.0%
Conservation Credits Program		0					0.0%
Subtotal: WMP		0					0.0%
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	34,100,171						0.0%
G.O. Bond Debt Service	0						0.0%
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0						0.0%
Debt Defeasance/Tender	4,022,305						0.0%
Paygo From Annual Operating Revenues	25,926,116						0.0%
Subtotal: Capital Program	64,048,592	0.0%	0.0%	100.0%			100.0%
Water Quality Exchange and Transfers	0						0.0%
Other Operating Costs							
Operating Equipment	304,093			100.0%			100.0%
Other	0						0.0%
Leases	0			100.0%			100.0%
EDMS Start-up	0			100.0%			100.0%
Water Standby Administration	0			100.0%			100.0%
Association Dues	28,479			100.0%			100.0%
Debt Administration	537,329			100.0%			100.0%
Insurance	9,891			100.0%			100.0%
Contingency	18,069			100.0%			100.0%
Miscellaneous Other O&M	0			100.0%			100.0%
P-1 Pumping Plant	0						0.0%
Subtotal: Leases And Operating Equipment	897,861						0.0%
Increase/(Decrease) in Required Reserves	(29,478)			100.0%			100.0%
Total General District Requirements	64,916,975						
REQUIREMENTS BEFORE OFFSETS:	69,760,061						
Revenue Offsets							
Property Tax Revenues	0			100.0%			100.0%
Interest	2,480,058			100.0%			100.0%
Hydro-Power Revenues	0						0.0%
Other Revenues							
<i>Water Quality Division Revenue Generation</i>	0						0.0%
<i>All Other</i>	0						0.0%
Miscellaneous Revenues	0			100.0%			100.0%
DVL Fill Power Costs from Transfer Fund	0						0.0%
PAYG from Prior Period Revenues	9,614,348			100.0%			100.0%
Other	0						0.0%
SDCWA/MWD Exchange Agreement	0						0.0%
Wheeling	0						0.0%
Growth Charge/Annexation Revenues	202,092	0.0%	0.0%	100.0%		0.0%	100.0%
Subtotal: Revenue Offsets	12,296,499						0.0%
NET REVENUE REQUIREMENTS:	\$ 57,463,562						
Comparison check-sum (includes only visible line items)	\$ 57,463,562						
Check-sum difference (should be zero)	\$ -						
(if there is a check-sum error, the check-sum difference should provide a clue as to which line item is improperly hidden)							
Number of Negative Allocations (indicates an error)		0	0	0	0	0	

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS							
<i>(by Group/Section)</i>							
Office of the Chief Executive Officer							
Office of Chief Executive Officer	\$ 102,779	\$ -	\$ -	\$ 102,779	\$ -	\$ -	\$ 102,779
Board of Directors	0	0	0	0	0	0	-
Subtotal: Office of the Chief Executive	102,779	0	0	102,779	0	0	102,779
External Affairs							
Legislative Services	0	0	0	0	0	0	0
Media Services	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Customer and Community	0	0	0	0	0	0	0
Subtotal: External Affairs	0	0	0	0	0	0	0
Water Systems Operations							
Office of Manager, A & G	26,400	0	0	26,400	0	0	26,400
Office of Manager, Conveyance and Distribut	0	0	0	0	0	0	0
Office of the Manager, Treatment Section	0	0	0	0	0	0	0
Office of the Manager, Operations Support Se	1,753	0	0	1,753	0	0	1,753
Operations Support Services, Construction Ser	42,307	0	0	42,307	0	0	42,307
C&D CRA Unit	0	0	0	0	0	0	0
C&D System Operations	0	0	0	0	0	0	0
Treatment Jensen	0	0	0	0	0	0	0
Treatment Diemer	0	0	0	0	0	0	0
Treatment Mills	0	0	0	0	0	0	0
Treatment Skinner	0	0	0	0	0	0	0
Treatment Weymouth	0	0	0	0	0	0	0
Water Quality Monitoring	421,756	0	0	421,756	0	0	421,756
C & D, Eastern Unit	0	0	0	0	0	0	0
C & D, Western Unit	0	0	0	0	0	0	0
OSS, Maintenance Support Unit	17,793	0	0	17,793	0	0	0
OSS, Environmental Support Unit	23,231	0	0	23,231	0	0	23,231
OSS, Fleet Maintenance	26,909	0	0	26,909	0	0	26,909
OSS, Power Support Unit	0	0	0	0	0	0	0
OSS, A&G (Project Support Team)	5,135	0	0	5,135	0	0	5,135
Subtotal: Water System Operations	565,284	0	0	565,284	0	0	565,284
Chief Financial Officer							
Office of the CFO	0	0	0	0	0	0	0
Subtotal: Chief Financial Officer	0	0	0	0	0	0	0
Corporate Resources							
Business Services	0	0	0	0	0	0	0
Asset Management	307,892	0	0	307,892	0	0	307,892
Engineering Services	3,528,210	0	0	3,528,210	0	0	3,528,210
Human Resources	104,568	0	0	104,568	0	0	104,568
Information Technology	156,936	0	0	156,936	0	0	156,936
Office of Manager	0	0	0	0	0	0	0
Subtotal: Corporate Resources	4,097,607	0	0	4,097,607	0	0	4,097,607
Water Resource Management							
Resource Planning	58,474	0	0	58,474	0	0	58,474
Resource Implementation	0	0	0	0	0	0	0
Office of Manager	18,943	0	0	18,943	0	0	18,943
Subtotal: Water Resource Management	77,417	0	0	77,417	0	0	77,417
Legal Department							
	0	0	0	0	0	0	0
Audit Department							
	0	0	0	0	0	0	0
Total Departmental O&M	4,843,086	0	0	4,843,086	0	0	4,843,086
GENERAL DISTRICT REQUIREMENTS							
State Water Project							
Existing Capital Costs							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Future Capital Costs	0	0	0	0	0	0	0
Minimum OMP&R							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Bay Delta Category III Funding	0	0	0	0	0	0	0
Off-Aqueduct	0	0	0	0	0	0	0
Variable Power Cost	0	0	0	0	0	0	0
SWP Credits							
Power	0	0	0	0	0	0	0
Transmission	0	0	0	0	0	0	0
Bay-Delta (Supply)	0	0	0	0	0	0	0
Subtotal: SWP	0	0	0	0	0	0	0
Colorado River Aqueduct							
Power Cost	0	0	0	0	0	0	0
CRA Supply Programs							
IID 1	0	0	0	0	0	0	0
Other # 1	0	0	0	0	0	0	0
All American and Coachella Canal Lining C	0	0	0	0	0	0	0
Other # 2	0	0	0	0	0	0	0
Storage Programs	0	0	0	0	0	0	0
Subtotal: Colorado River Aqueduct	0	0	0	0	0	0	0
Deposit to Water Transfer Fund							
	0	0	0	0	0	0	0
Water Management Programs							

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
Local Resources Program	0	0	0	0	0	0	0
Conservation Credits Program	0	0	0	0	0	0	0
Subtotal: WMP	0	0	0	0	0	0	0
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	34,100,171	0	0	34,100,171	0	0	34,100,171
G.O. Bond Debt Service	0	0	0	0	0	0	0
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0	0
Debt Defeasance/Tender	4,022,305	0	0	4,022,305	0	0	4,022,305
Paygo From Annual Operating Revenues	25,926,116	0	0	25,926,116	0	0	25,926,116
Subtotal: Capital Program	64,048,592	0	0	64,048,592	0	0	64,048,592
Water Quality Exchange and Transfers	0	0	0	0	0	0	0
Other Operating Costs							
Operating Equipment	304,093	0	0	304,093	0	0	304,093
Other	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0
EDMS Start-up	0	0	0	0	0	0	0
Water Standby Administration	0	0	0	0	0	0	0
Association Dues	28,479	0	0	28,479	0	0	28,479
Debt Administration	537,329	0	0	537,329	0	0	537,329
Insurance	9,891	0	0	9,891	0	0	9,891
Contingency	18,069	0	0	18,069	0	0	18,069
Miscellaneous Other O&M	0	0	0	0	0	0	0
P-1 Pumping Plant	0	0	0	0	0	0	0
Subtotal: Leases And Operating Equipment	897,861	0	0	897,861	0	0	897,861
Increase/(Decrease) in Required Reserves	(29,478)	0	0	(29,478)	0	0	(29,478)
Total General District Requirements	64,916,975	0	0	64,916,975	0	0	64,916,975
REQUIREMENTS BEFORE OFFSETS:	69,760,061	0	0	69,760,061	0	0	69,760,061
Revenue Offsets							
Property Tax Revenues	0	0	0	0	0	0	0
Interest	2,480,058	0	0	2,480,058	0	0	2,480,058
Hydro-Power Revenues	0	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0	0
<i>Water Quality Division Revenue Generation</i>	0	0	0	0	0	0	0
<i>All Other</i>	0	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	0	0	0	0
DVL Fill Power Costs from Transfer Fund	0	0	0	0	0	0	0
PAYG from Prior Period Revenues	9,614,348	0	0	9,614,348	0	0	9,614,348
Other	0	0	0	0	0	0	0
SDCWA/MWD Exchange Agreement	0	0	0	0	0	0	0
Wheeling	0	0	0	0	0	0	0
Growth Charge/Annexation Revenues	202,092	0	0	202,092	0	0	202,092
Subtotal: Revenue Offsets	12,296,499	0	0	12,296,499	0	0	12,296,499
NET REVENUE REQUIREMENTS:	\$ 57,463,562	\$ -	\$ -	\$ 57,463,562	\$ -	\$ -	\$ 57,463,562

FY2003	Basis of Classification	Functional Allocations:	Classification Percentages					% Total	
			Storage Drought	Fixed			Variable		
				Demand	Commodity	Standby	Commodity		Hydroelectric
Local Resources Program		0						0.0%	
Conservation Credits Program		0						0.0%	
Subtotal: WMP		0						0.0%	
Capital Financing Program									
Rev Bond D/S & Increase in I&P Fund		27,864,655						0.0%	
G.O. Bond Debt Service		0						0.0%	
Non-Rev. Bond Var. Rate Debt Int. Pmts.		0						0.0%	
Debt Defeasance/Tender		3,286,791						0.0%	
Paygo From Annual Operating Revenues		21,185,298						0.0%	
Subtotal: Capital Program		52,336,744	0.0%	100.0%				100.0%	
Water Quality Exchange and Transfers		0						0.0%	
Other Operating Costs									
Operating Equipment		256,269		100.0%				100.0%	
Other		0						0.0%	
Leases		0		100.0%				100.0%	
EDMS Start-up		0		100.0%				100.0%	
Water Standby Administration		0		100.0%				100.0%	
Association Dues		24,001		100.0%				100.0%	
Debt Administration		439,074		100.0%				100.0%	
Insurance		8,353		100.0%				100.0%	
Contingency		15,259		100.0%				100.0%	
Miscellaneous Other O&M		0		100.0%				100.0%	
P-1 Pumping Plant		0						0.0%	
Subtotal: Leases And Operating Equipment		742,955						0.0%	
Increase/(Decrease) in Required Reserves		(24,894)	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%	
Total General District Requirements		53,054,805							
REQUIREMENTS BEFORE OFFSETS:		57,144,695							
Revenue Offsets									
Property Tax Revenues		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Interest		2,031,566	0.0%	100.0%		0.0%		100.0%	
Hydro-Power Revenues		0						0.0%	
Other Revenues		0						0.0%	
<i>Water Quality Division Revenue Generation</i>		0						0.0%	
<i>All Other</i>		0						0.0%	
Miscellaneous Revenues		0	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%	
DVL Fill Power Costs from Transfer Fund		0						0.0%	
PAYG from Prior Period Revenues		7,856,280		100.0%				100.0%	
Other		0						0.0%	
SDCWA/MWD Exchange Agreement		0		100.0%				100.0%	
Wheeling		0						0.0%	
Growth Charge/Annexation Revenues		165,138	0.0%	100.0%	0.0%		0.0%	100.0%	
Subtotal: Revenue Offsets		10,052,984						0.0%	
NET REVENUE REQUIREMENTS:		\$ 47,091,711							
Comparison check-sum (includes only visible line items)		\$ 47,091,711							
Check-sum difference (should be zero)		\$ -							
(if there is a check-sum error, the check-sum difference should provide a clue as to which line item is improperly hidden)									
Number of Negative Allocations (indicates an error)			0	0	0	0	0		

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS							
<i>(by Group/Section)</i>							
Office of the Chief Executive Officer							
Office of Chief Executive Officer	\$ 86,615	\$ -	\$ 86,615	\$ -	\$ -	\$ -	\$ 86,615
Board of Directors	0	0	0	0	0	0	-
Subtotal: Office of the Chief Executive	86,615	0	86,615	0	0	0	86,615
External Affairs							
Legislative Services	0	0	0	0	0	0	0
Media Services	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Customer and Community	0	0	0	0	0	0	0
Subtotal: External Affairs	0	0	0	0	0	0	0
Water Systems Operations							
Office of Manager, A & G	26,400	0	26,400	0	0	0	26,400
Office of Manager, Conveyance and Distribut	0	0	0	0	0	0	0
Office of the Manager, Treatment Section	0	0	0	0	0	0	0
Office of the Manager, Operations Support Se	1,753	0	1,753	0	0	0	1,753
Operations Support Services, Construction Ser	42,307	0	42,307	0	0	0	42,307
C&D CRA Unit	0	0	0	0	0	0	0
C&D System Operations	0	0	0	0	0	0	0
Treatment Jensen	0	0	0	0	0	0	0
Treatment Diemer	0	0	0	0	0	0	0
Treatment Mills	0	0	0	0	0	0	0
Treatment Skinner	0	0	0	0	0	0	0
Treatment Weymouth	0	0	0	0	0	0	0
Water Quality Monitoring	421,756	0	421,756	0	0	0	421,756
C & D, Eastern Unit	0	0	0	0	0	0	0
C & D, Western Unit	0	0	0	0	0	0	0
OSS, Maintenance Support Unit	17,793	0	17,793	0	0	0	0
OSS, Environmental Support Unit	23,231	0	23,231	0	0	0	23,231
OSS, Fleet Maintenance	26,909	0	26,909	0	0	0	26,909
OSS, Power Support Unit	0	0	0	0	0	0	0
OSS, A&G (Project Support Team)	5,135	0	5,135	0	0	0	5,135
Subtotal: Water System Operations	565,284	0	565,284	0	0	0	565,284
Chief Financial Officer							
Office of the CFO	0	0	0	0	0	0	0
Subtotal: Chief Financial Officer	0	0	0	0	0	0	0
Corporate Resources							
Business Services	0	0	0	0	0	0	0
Asset Management	269,552	0	269,552	0	0	0	269,552
Engineering Services	2,883,046	0	2,883,046	0	0	0	2,883,046
Human Resources	83,164	0	83,164	0	0	0	83,164
Information Technology	124,813	0	124,813	0	0	0	124,813
Office of Manager	0	0	0	0	0	0	0
Subtotal: Corporate Resources	3,360,574	0	3,360,574	0	0	0	3,360,574
Water Resource Management							
Resource Planning	58,474	0	58,474	0	0	0	58,474
Resource Implementation	0	0	0	0	0	0	0
Office of Manager	18,943	0	18,943	0	0	0	18,943
Subtotal: Water Resource Management	77,417	0	77,417	0	0	0	77,417
Legal Department							
	0	0	0	0	0	0	0
Audit Department							
	0	0	0	0	0	0	0
Total Departmental O&M	4,089,889	0	4,089,889	0	0	0	4,089,889
GENERAL DISTRICT REQUIREMENTS							
State Water Project							
Existing Capital Costs							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Future Capital Costs	0	0	0	0	0	0	0
Minimum OMP&R							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Bay Delta Category III Funding	0	0	0	0	0	0	0
Off-Aqueduct	0	0	0	0	0	0	0
Variable Power Cost	0	0	0	0	0	0	0
SWP Credits							
Power	0	0	0	0	0	0	0
Transmission	0	0	0	0	0	0	0
Bay-Delta (Supply)	0	0	0	0	0	0	0
Subtotal: SWP	0	0	0	0	0	0	0
Colorado River Aqueduct							
Power Cost	0	0	0	0	0	0	0
CRA Supply Programs							
IID 1	0	0	0	0	0	0	0
Other # 1	0	0	0	0	0	0	0
All American and Coachella Canal Lining C	0	0	0	0	0	0	0
Other # 2	0	0	0	0	0	0	0
Storage Programs	0	0	0	0	0	0	0
Subtotal: Colorado River Aqueduct	0	0	0	0	0	0	0
Deposit to Water Transfer Fund							
	0	0	0	0	0	0	0
Water Management Programs							

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
Local Resources Program	0	0	0	0	0	0	0
Conservation Credits Program	0	0	0	0	0	0	0
Subtotal: WMP	0	0	0	0	0	0	0
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	27,864,655	0	27,864,655	0	0	0	27,864,655
G.O. Bond Debt Service	0	0	0	0	0	0	0
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0	0
Debt Defeasance/Tender	3,286,791	0	3,286,791	0	0	0	3,286,791
Paygo From Annual Operating Revenues	21,185,298	0	21,185,298	0	0	0	21,185,298
Subtotal: Capital Program	52,336,744	0	52,336,744	0	0	0	52,336,744
Water Quality Exchange and Transfers	0	0	0	0	0	0	0
Other Operating Costs							
Operating Equipment	256,269	0	256,269	0	0	0	256,269
Other	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0
EDMS Start-up	0	0	0	0	0	0	0
Water Standby Administration	0	0	0	0	0	0	0
Association Dues	24,001	0	24,001	0	0	0	24,001
Debt Administration	439,074	0	439,074	0	0	0	439,074
Insurance	8,353	0	8,353	0	0	0	8,353
Contingency	15,259	0	15,259	0	0	0	15,259
Miscellaneous Other O&M	0	0	0	0	0	0	0
P-1 Pumping Plant	0	0	0	0	0	0	0
Subtotal: Leases And Operating Equipment	742,955	0	742,955	0	0	0	742,955
Increase/(Decrease) in Required Reserves	(24,894)	0	(24,894)	0	0	0	(24,894)
Total General District Requirements	53,054,805	0	53,054,805	0	0	0	53,054,805
REQUIREMENTS BEFORE OFFSETS:	57,144,695	0	57,144,695	0	0	0	57,144,695
Revenue Offsets							
Property Tax Revenues	0	0	0	0	0	0	0
Interest	2,031,566	0	2,031,566	0	0	0	2,031,566
Hydro-Power Revenues	0	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0	0
<i>Water Quality Division Revenue Generation</i>	0	0	0	0	0	0	0
<i>All Other</i>	0	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	0	0	0	0
DVL Fill Power Costs from Transfer Fund	0	0	0	0	0	0	0
PAYG from Prior Period Revenues	7,856,280	0	7,856,280	0	0	0	7,856,280
Other	0	0	0	0	0	0	0
SDCWA/MWD Exchange Agreement	0	0	0	0	0	0	0
Wheeling	0	0	0	0	0	0	0
Growth Charge/Annexation Revenues	165,138	0	165,138	0	0	0	165,138
Subtotal: Revenue Offsets	10,052,984	0	10,052,984	0	0	0	10,052,984
NET REVENUE REQUIREMENTS:	\$ 47,091,711	\$ -	\$ 47,091,711	\$ -	\$ -	\$ -	\$ 47,091,711

FY2003	Basis of Classification	Functional Allocations:	Classification Percentages					% Total
			Storage Regulatory	Fixed			Variable	
				Demand	Commodity	Standby	Commodity	
DEPARTMENTAL BUDGETS								
<i>(by Group/Section)</i>								
Office of the Chief Executive Officer								
	Office of Chief Executive Officer	\$ 40,940					0.0%	
	Board of Directors	0					0.0%	
	Subtotal: Office of the Chief Executive Officer	40,940	100.0%				100.0%	
External Affairs								
	Legislative Services	0					0.0%	
	Media Services	0					0.0%	
	Office of Manager	0					0.0%	
	Customer and Community	0					0.0%	
	Subtotal: External Affairs	0	100.0%				100.0%	
Water Systems Operations								
	Office of Manager, A & G	23,993	100.0%				100.0%	
	Office of Manager, Conveyance and Distribution (C&A)	0	100.0%				100.0%	
	Office of the Manager, Treatment Section	0	100.0%				100.0%	
	Office of the Manager, Operations Support Services	1,593	100.0%				100.0%	
	Operations Support Services, Construction Services Unit	0	100.0%				100.0%	
	C&D CRA Unit	0	100.0%				100.0%	
	C&D System Operations	0	100.0%				100.0%	
	Treatment Jensen	0	73.3%		26.7%		100.0%	
	Treatment Diemer	0	45.6%		54.4%		100.0%	
	Treatment Mills	0	63.8%		36.2%		100.0%	
	Treatment Skinner	0	55.2%		44.8%		100.0%	
	Treatment Weymouth	0	60.7%		39.3%		100.0%	
	Water Quality Monitoring	421,756	100.0%				100.0%	
	C & D, Eastern Unit	0	100.0%				100.0%	
	C & D, Western Unit	0	100.0%				100.0%	
	OSS, Maintenance Support Unit	16,171	100.0%				100.0%	
	OSS, Environmental Support Unit	21,113	100.0%				100.0%	
	OSS, Fleet Maintenance	24,456	100.0%				100.0%	
	OSS, Power Support Unit	0	100.0%				100.0%	
	OSS, A&G (Project Support Team)	4,667	100.0%				100.0%	
	Subtotal: Water System Operations	513,749					0.0%	
Chief Financial Officer								
	Office of the CFO	0					0.0%	
	Subtotal: Chief Financial Officer	0	100.0%				100.0%	
Corporate Resources								
	Business Services	0					0.0%	
	Asset Management	79,080					0.0%	
	Engineering Services	663,604					0.0%	
	Human Resources	233,814					0.0%	
	Information Technology	350,910					0.0%	
	Office of Manager	0					0.0%	
	Subtotal: Corporate Resources	1,327,408	100.0%				100.0%	
Water Resource Management								
	Resource Planning	60,246					0.0%	
	Resource Implementation	0					0.0%	
	Office of Manager	19,476					0.0%	
	Subtotal: Water Resource Management	79,722	100.0%				100.0%	
Legal Department								
		0	100.0%				100.0%	
Audit Department								
	Total Departmental O&M	1,961,818					0.0%	
GENERAL DISTRICT REQUIREMENTS								
State Water Project								
	Existing Capital Costs							
	Transmission	0					0.0%	
	Delta-Water Charge (Supply)	0					0.0%	
	Future Capital Costs	0					0.0%	
	Minimum OMP&R							
	Transmission	0					0.0%	
	Delta-Water Charge (Supply)	0					0.0%	
	Bay Delta Category III Funding	0					0.0%	
	Off-Aqueduct	0					0.0%	
	Variable Power Cost	0					0.0%	
	SWP Credits							
	Power	0					0.0%	
	Transmission	0					0.0%	
	Bay-Delta (Supply)	0					0.0%	
	Subtotal: SWP	0					0.0%	
Colorado River Aqueduct								
	Power Cost	0					0.0%	
	CRA Supply Programs							
	IID 1	0					0.0%	
	Other # 1	0					0.0%	
	All American and Coachella Canal Lining O&M	0					0.0%	
	Other # 2	0					0.0%	
	Storage Programs	0					0.0%	
	Subtotal: Colorado River Aqueduct	0					0.0%	
Deposit to Water Transfer Fund								
		0					0.0%	
Water Management Programs								

FY2003	Basis of Classification	Functional Allocations: Storage Regulatory	Classification Percentages					% Total
			Fixed			Variable		
			Demand	Commodity	Standby	Commodity	Hydroelectric	
Local Resources Program		0						0.0%
Conservation Credits Program		0						0.0%
Subtotal: WMP		0						0.0%
Capital Financing Program								
Rev Bond D/S & Increase in I&P Fund		6,413,734						0.0%
G.O. Bond Debt Service		0						0.0%
Non-Rev. Bond Var. Rate Debt Int. Pmts.		0						0.0%
Debt Defeasance/Tender		756,536						0.0%
Paygo From Annual Operating Revenues		4,876,316						0.0%
Subtotal: Capital Program		12,046,586	54.6%	45.4%	0.0%			100.0%
Water Quality Exchange and Transfers		0						0.0%
Other Operating Costs								
Operating Equipment		121,128		100.0%				100.0%
Other		0						0.0%
Leases		0		100.0%				100.0%
EDMS Start-up		0		100.0%				100.0%
Water Standby Administration		0		100.0%				100.0%
Association Dues		11,344		100.0%				100.0%
Debt Administration		101,064		100.0%				100.0%
Insurance		4,006		100.0%				100.0%
Contingency		7,319		100.0%				100.0%
Miscellaneous Other O&M		0		100.0%				100.0%
P-1 Pumping Plant		0						0.0%
Subtotal: Leases And Operating Equipment		244,862						0.0%
Increase/(Decrease) in Required Reserves		(11,941)	46.1%	53.9%	0.0%	0.0%	0.0%	100.0%
Total General District Requirements		12,279,507						
REQUIREMENTS BEFORE OFFSETS:		14,241,326						
Revenue Offsets								
Property Tax Revenues		0	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Interest		506,297	0.0%	100.0%		0.0%		100.0%
Hydro-Power Revenues		0						0.0%
Other Revenues		0						0.0%
<i>Water Quality Division Revenue Generation</i>		0						0.0%
<i>All Other</i>		0						0.0%
Miscellaneous Revenues		0	46.1%	53.9%	0.0%	0.0%	0.0%	100.0%
DVL Fill Power Costs from Transfer Fund		0						0.0%
PAYG from Prior Period Revenues		1,808,316	54.6%	45.4%	0.0%			100.0%
Other		0						0.0%
SDCWA/MWD Exchange Agreement		0		100.0%				100.0%
Wheeling		0	54.6%	45.4%	0.0%			100.0%
Growth Charge/Annexation Revenues		38,011	54.6%	45.4%	0.0%		0.0%	100.0%
Subtotal: Revenue Offsets		2,352,623						0.0%
NET REVENUE REQUIREMENTS:		\$ 11,888,702						
Comparison check-sum (includes only visible line items)		\$ 11,888,702						
Check-sum difference (should be zero)		\$ -						
(if there is a check-sum error, the check-sum difference should provide a clue as to which line item is improperly hidden)								
Number of Negative Allocations (indicates an error)			0	0	0	0	0	0

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS							
<i>(by Group/Section)</i>							
Office of the Chief Executive Officer							
Office of Chief Executive Officer	\$ 40,940	\$ -	\$ 40,940	\$ -	\$ -	\$ -	\$ 40,940
Board of Directors	0	0	0	0	0	0	-
Subtotal: Office of the Chief Executive	40,940	0	40,940	0	0	0	40,940
External Affairs							
Legislative Services	0	0	0	0	0	0	0
Media Services	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Customer and Community	0	0	0	0	0	0	0
Subtotal: External Affairs	0	0	0	0	0	0	0
Water Systems Operations							
Office of Manager, A & G	23,993	0	23,993	0	0	0	23,993
Office of Manager, Conveyance and Distribut	0	0	0	0	0	0	0
Office of the Manager, Treatment Section	0	0	0	0	0	0	0
Office of the Manager, Operations Support Se	1,593	0	1,593	0	0	0	1,593
Operations Support Services, Construction Ser	0	0	0	0	0	0	0
C&D CRA Unit	0	0	0	0	0	0	0
C&D System Operations	0	0	0	0	0	0	0
Treatment Jensen	0	0	0	0	0	0	0
Treatment Diemer	0	0	0	0	0	0	0
Treatment Mills	0	0	0	0	0	0	0
Treatment Skinner	0	0	0	0	0	0	0
Treatment Weymouth	0	0	0	0	0	0	0
Water Quality Monitoring	421,756	0	421,756	0	0	0	421,756
C & D, Eastern Unit	0	0	0	0	0	0	0
C & D, Western Unit	0	0	0	0	0	0	0
OSS, Maintenance Support Unit	16,171	0	16,171	0	0	0	0
OSS, Environmental Support Unit	21,113	0	21,113	0	0	0	21,113
OSS, Fleet Maintenance	24,456	0	24,456	0	0	0	24,456
OSS, Power Support Unit	0	0	0	0	0	0	0
OSS, A&G (Project Support Team)	4,667	0	4,667	0	0	0	4,667
Subtotal: Water System Operations	513,749	0	513,749	0	0	0	513,749
Chief Financial Officer							
Office of the CFO	0	0	0	0	0	0	0
Subtotal: Chief Financial Officer	0	0	0	0	0	0	0
Corporate Resources							
Business Services	0	0	0	0	0	0	0
Asset Management	79,080	0	79,080	0	0	0	79,080
Engineering Services	663,604	0	663,604	0	0	0	663,604
Human Resources	233,814	0	233,814	0	0	0	233,814
Information Technology	350,910	0	350,910	0	0	0	350,910
Office of Manager	0	0	0	0	0	0	0
Subtotal: Corporate Resources	1,327,408	0	1,327,408	0	0	0	1,327,408
Water Resource Management							
Resource Planning	60,246	0	60,246	0	0	0	60,246
Resource Implementation	0	0	0	0	0	0	0
Office of Manager	19,476	0	19,476	0	0	0	19,476
Subtotal: Water Resource Management	79,722	0	79,722	0	0	0	79,722
Legal Department							
	0	0	0	0	0	0	0
Audit Department							
	0	0	0	0	0	0	0
Total Departmental O&M	1,961,818	0	1,961,818	0	0	0	1,961,818
GENERAL DISTRICT REQUIREMENTS							
State Water Project							
Existing Capital Costs							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Future Capital Costs	0	0	0	0	0	0	0
Minimum OMP&R							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Bay Delta Category III Funding	0	0	0	0	0	0	0
Off-Aqueduct	0	0	0	0	0	0	0
Variable Power Cost	0	0	0	0	0	0	0
SWP Credits							
Power	0	0	0	0	0	0	0
Transmission	0	0	0	0	0	0	0
Bay-Delta (Supply)	0	0	0	0	0	0	0
Subtotal: SWP	0	0	0	0	0	0	0
Colorado River Aqueduct							
Power Cost	0	0	0	0	0	0	0
CRA Supply Programs							
IID 1	0	0	0	0	0	0	0
Other # 1	0	0	0	0	0	0	0
All American and Coachella Canal Lining C	0	0	0	0	0	0	0
Other # 2	0	0	0	0	0	0	0
Storage Programs	0	0	0	0	0	0	0
Subtotal: Colorado River Aqueduct	0	0	0	0	0	0	0
Deposit to Water Transfer Fund							
	0	0	0	0	0	0	0
Water Management Programs							

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
	Storage Regulatory						
Local Resources Program	0	0	0	0	0	0	0
Conservation Credits Program	0	0	0	0	0	0	0
Subtotal: WMP	0	0	0	0	0	0	0
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	6,413,734	3,501,520	2,912,214	0	0	0	6,413,734
G.O. Bond Debt Service	0	0	0	0	0	0	0
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0	0
Debt Defeasance/Tender	756,536	413,024	343,512	0	0	0	756,536
Paygo From Annual Operating Revenues	4,876,316	2,662,181	2,214,136	0	0	0	4,876,316
Subtotal: Capital Program	12,046,586	6,576,725	5,469,862	0	0	0	12,046,586
Water Quality Exchange and Transfers	0	0	0	0	0	0	0
Other Operating Costs							
Operating Equipment	121,128	0	121,128	0	0	0	121,128
Other	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0
EDMS Start-up	0	0	0	0	0	0	0
Water Standby Administration	0	0	0	0	0	0	0
Association Dues	11,344	0	11,344	0	0	0	11,344
Debt Administration	101,064	0	101,064	0	0	0	101,064
Insurance	4,006	0	4,006	0	0	0	4,006
Contingency	7,319	0	7,319	0	0	0	7,319
Miscellaneous Other O&M	0	0	0	0	0	0	0
P-1 Pumping Plant	0	0	0	0	0	0	0
Subtotal: Leases And Operating Equipment	244,862	0	244,862	0	0	0	244,862
Increase/(Decrease) in Required Reserves	(11,941)	(5,510)	(6,431)	0	0	0	(11,941)
Total General District Requirements	12,279,507	6,571,215	5,708,293	0	0	0	12,279,507
REQUIREMENTS BEFORE OFFSETS:	14,241,326	6,571,215	7,670,111	0	0	0	14,241,326
Revenue Offsets							
Property Tax Revenues	0	0	0	0	0	0	0
Interest	506,297	0	506,297	0	0	0	506,297
Hydro-Power Revenues	0	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0	0
<i>Water Quality Division Revenue Generation</i>	0	0	0	0	0	0	0
<i>All Other</i>	0	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	0	0	0	0
DVL Fill Power Costs from Transfer Fund	0	0	0	0	0	0	0
PAYG from Prior Period Revenues	1,808,316	987,234	821,082	0	0	0	1,808,316
Other	0	0	0	0	0	0	0
SDCWA/MWD Exchange Agreement	0	0	0	0	0	0	0
Wheeling	0	0	0	0	0	0	0
Growth Charge/Annexation Revenues	38,011	20,752	17,259	0	0	0	38,011
Subtotal: Revenue Offsets	2,352,623	1,007,985	1,344,638	0	0	0	2,352,623
NET REVENUE REQUIREMENTS:	\$ 11,888,702	\$ 5,563,230	\$ 6,325,473	\$ -	\$ -	\$ -	\$ 11,888,702

FY2003

Basis of Classification	Functional Allocations:	Classification Percentages					% Total	
		Storage Power	Fixed			Variable		
			Demand	Commodity	Standby	Commodity		Hydroelectric
Local Resources Program	0						0.0%	
Conservation Credits Program	0						0.0%	
Subtotal: WMP	0						0.0%	
Capital Financing Program								
Rev Bond D/S & Increase in I&P Fund	0						0.0%	
G.O. Bond Debt Service	0						0.0%	
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0						0.0%	
Debt Defeasance/Tender	0						0.0%	
Paygo From Annual Operating Revenues	0						0.0%	
Subtotal: Capital Program	0						0.0%	
Water Quality Exchange and Transfers	0						0.0%	
Other Operating Costs								
Operating Equipment	40		100.0%				100.0%	
Other	0						0.0%	
Leases	0		100.0%				100.0%	
EDMS Start-up	0		100.0%				100.0%	
Water Standby Administration	0		100.0%				100.0%	
Association Dues	4		100.0%				100.0%	
Debt Administration	0		100.0%				100.0%	
Insurance	7,907		100.0%				100.0%	
Contingency	14,445		100.0%				100.0%	
Miscellaneous Other O&M	0		100.0%				100.0%	
P-1 Pumping Plant	343,750		100.0%				100.0%	
Subtotal: Leases And Operating Equipment	366,145						0.0%	
Increase/(Decrease) in Required Reserves	(23,565)	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%	
Total General District Requirements	4,213,492							
REQUIREMENTS BEFORE OFFSETS:	4,214,248							
Revenue Offsets								
Property Tax Revenues	0						0.0%	
Interest	0	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%	
Hydro-Power Revenues	0						0.0%	
Other Revenues	0							
<i>Water Quality Division Revenue Generation</i>	0						0.0%	
<i>All Other</i>	0						0.0%	
Miscellaneous Revenues	0		100.0%				100.0%	
DVL Fill Power Costs from Transfer Fund	10,724,663		100.0%				100.0%	
PAYG from Prior Period Revenues	0						0.0%	
Other	0						0.0%	
SDCWA/MWD Exchange Agreement	0						0.0%	
Wheeling	0						0.0%	
Growth Charge/Annexation Revenues	0	0.0%	0.0%	0.0%		0.0%	0.0%	
Subtotal: Revenue Offsets	10,724,663						0.0%	
NET REVENUE REQUIREMENTS:	\$ (6,510,415)							
Comparison check-sum (includes only visible line items)	\$ (6,510,415)							
Check-sum difference (should be zero)	\$ -							
(if there is a check-sum error, the check-sum difference should provide a clue as to which line item is improperly hidden)								
Number of Negative Allocations (indicates an error)		0	0	0	0	0		

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS							
<i>(by Group/Section)</i>							
Office of the Chief Executive Officer							
Office of Chief Executive Officer	\$ 13	\$ -	\$ 13	\$ -	\$ -	\$ -	\$ 13
Board of Directors	0	0	0	0	0	0	-
Subtotal: Office of the Chief Executive	13	0	13	0	0	0	13
External Affairs							
Legislative Services	0	0	0	0	0	0	0
Media Services	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Customer and Community	0	0	0	0	0	0	0
Subtotal: External Affairs	0	0	0	0	0	0	0
Water Systems Operations							
Office of Manager, A & G	0	0	0	0	0	0	0
Office of Manager, Conveyance and Distribut	0	0	0	0	0	0	0
Office of the Manager, Treatment Section	0	0	0	0	0	0	0
Office of the Manager, Operations Support Se	0	0	0	0	0	0	0
Operations Support Services,Construction Ser	0	0	0	0	0	0	0
C&D CRA Unit	0	0	0	0	0	0	0
C&D System Operations	0	0	0	0	0	0	0
Treatment Jensen	0	0	0	0	0	0	0
Treatment Diemer	0	0	0	0	0	0	0
Treatment Mills	0	0	0	0	0	0	0
Treatment Skinner	0	0	0	0	0	0	0
Treatment Weymouth	0	0	0	0	0	0	0
Water Quality Monitoring	0	0	0	0	0	0	0
C & D, Eastern Unit	0	0	0	0	0	0	0
C & D, Western Unit	0	0	0	0	0	0	0
OSS, Maintenance Support Unit	0	0	0	0	0	0	0
OSS, Environmental Support Unit	0	0	0	0	0	0	0
OSS, Fleet Maintenance	0	0	0	0	0	0	0
OSS, Power Support Unit	0	0	0	0	0	0	0
OSS, A&G (Project Support Team)	0	0	0	0	0	0	0
Subtotal: Water System Operations	0	0	0	0	0	0	0
Chief Financial Officer							
Office of the CFO	0	0	0	0	0	0	0
Subtotal: Chief Financial Officer	0	0	0	0	0	0	0
Corporate Resources							
Business Services	0	0	0	0	0	0	0
Asset Management	0	0	0	0	0	0	0
Engineering Services	0	0	0	0	0	0	0
Human Resources	37	0	37	0	0	0	37
Information Technology	55	0	55	0	0	0	55
Office of Manager	0	0	0	0	0	0	0
Subtotal: Corporate Resources	92	0	92	0	0	0	92
Water Resource Management							
Resource Planning	0	0	0	0	0	0	0
Resource Implementation	607	0	607	0	0	0	607
Office of Manager	44	0	44	0	0	0	44
Subtotal: Water Resource Management	651	0	651	0	0	0	651
Legal Department							
	0	0	0	0	0	0	0
Audit Department							
	0	0	0	0	0	0	0
Total Departmental O&M	756	0	756	0	0	0	756
GENERAL DISTRICT REQUIREMENTS							
State Water Project							
Existing Capital Costs							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Future Capital Costs							
Minimum OMP&R	0	0	0	0	0	0	0
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Bay Delta Category III Funding	0	0	0	0	0	0	0
Off-Aqueduct	3,870,913	0	3,870,913	0	0	0	3,870,913
Variable Power Cost	0	0	0	0	0	0	0
SWP Credits							
Power	0	0	0	0	0	0	0
Transmission	0	0	0	0	0	0	0
Bay-Delta (Supply)	0	0	0	0	0	0	0
Subtotal: SWP	3,870,913	0	3,870,913	0	0	0	3,870,913
Colorado River Aqueduct							
Power Cost	0	0	0	0	0	0	0
CRA Supply Programs							
IID 1	0	0	0	0	0	0	0
Other # 1	0	0	0	0	0	0	0
All American and Coachella Canal Lining C	0	0	0	0	0	0	0
Other # 2	0	0	0	0	0	0	0
Storage Programs	0	0	0	0	0	0	0
Subtotal: Colorado River Aqueduct	0	0	0	0	0	0	0
Deposit to Water Transfer Fund							
	0	0	0	0	0	0	0
Water Management Programs							

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
	Storage Power						
Local Resources Program	0	0	0	0	0	0	0
Conservation Credits Program	0	0	0	0	0	0	0
Subtotal: WMP	0	0	0	0	0	0	0
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	0	0	0	0	0	0	0
G.O. Bond Debt Service	0	0	0	0	0	0	0
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0	0
Debt Defeasance/Tender	0	0	0	0	0	0	0
Paygo From Annual Operating Revenues	0	0	0	0	0	0	0
Subtotal: Capital Program	0	0	0	0	0	0	0
Water Quality Exchange and Transfers	0	0	0	0	0	0	0
Other Operating Costs							
Operating Equipment	40	0	40	0	0	0	40
Other	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0
EDMS Start-up	0	0	0	0	0	0	0
Water Standby Administration	0	0	0	0	0	0	0
Association Dues	4	0	4	0	0	0	4
Debt Administration	0	0	0	0	0	0	0
Insurance	7,907	0	7,907	0	0	0	7,907
Contingency	14,445	0	14,445	0	0	0	14,445
Miscellaneous Other O&M	0	0	0	0	0	0	0
P-1 Pumping Plant	343,750	0	343,750	0	0	0	343,750
Subtotal: Leases And Operating Equipment	366,145	0	366,145	0	0	0	366,145
Increase/(Decrease) in Required Reserves	(23,565)	0	(23,565)	0	0	0	(23,565)
Total General District Requirements	4,213,492	0	4,213,492	0	0	0	4,213,492
REQUIREMENTS BEFORE OFFSETS:	4,214,248	0	4,214,248	0	0	0	4,214,248
Revenue Offsets							
Property Tax Revenues	0	0	0	0	0	0	0
Interest	0	0	0	0	0	0	0
Hydro-Power Revenues	0	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0	0
<i>Water Quality Division Revenue Generation</i>	0	0	0	0	0	0	0
<i>All Other</i>	0	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	0	0	0	0
DVL Fill Power Costs from Transfer Fund	10,724,663	0	10,724,663	0	0	0	10,724,663
PAYG from Prior Period Revenues	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
SDCWA/MWD Exchange Agreement	0	0	0	0	0	0	0
Wheeling	0	0	0	0	0	0	0
Growth Charge/Annexation Revenues	0	0	0	0	0	0	0
Subtotal: Revenue Offsets	10,724,663	0	10,724,663	0	0	0	10,724,663
NET REVENUE REQUIREMENTS:	\$ (6,510,415)	\$ -	\$ (6,510,415)	\$ -	\$ -	\$ -	\$ (6,510,415)

FY2003	Basis of Classification	Functional Allocations:	Classification Percentages					% Total	
			Water Quality CRA	Fixed			Variable		
				Demand	Commodity	Standby	Commodity		Hydroelectric
DEPARTMENTAL BUDGETS									
<i>(by Group/Section)</i>									
Office of the Chief Executive Officer									
	Office of Chief Executive Officer	\$ -					0.0%		
	Board of Directors	0					0.0%		
	Subtotal: Office of the Chief Executive Officer	0	100.0%				100.0%		
External Affairs									
	Legislative Services	0					0.0%		
	Media Services	0					0.0%		
	Office of Manager	0					0.0%		
	Customer and Community	0					0.0%		
	Subtotal: External Affairs	0	100.0%				100.0%		
Water Systems Operations									
	Office of Manager, A & G	0	100.0%				100.0%		
	Office of Manager, Conveyance and Distribution (C&A)	0	100.0%				100.0%		
	Office of the Manager, Treatment Section	0	100.0%				100.0%		
	Office of the Manager, Operations Support Services	0	100.0%				100.0%		
	Operations Support Services, Construction Services Unit	0	100.0%				100.0%		
	C&D CRA Unit	0	100.0%				100.0%		
	C&D System Operations	0	100.0%				100.0%		
	Treatment Jensen	0	73.3%		26.7%		100.0%		
	Treatment Diemer	0	45.6%		54.4%		100.0%		
	Treatment Mills	0	63.8%		36.2%		100.0%		
	Treatment Skinner	0	55.2%		44.8%		100.0%		
	Treatment Weymouth	0	60.7%		39.3%		100.0%		
	Water Quality Monitoring	0	100.0%				100.0%		
	C & D, Eastern Unit	0	100.0%				100.0%		
	C & D, Western Unit	0	100.0%				100.0%		
	OSS, Maintenance Support Unit	0	100.0%				100.0%		
	OSS, Environmental Support Unit	0	100.0%				100.0%		
	OSS, Fleet Maintenance	0	100.0%				100.0%		
	OSS, Power Support Unit	0	100.0%				100.0%		
	OSS, A&G (Project Support Team)	0	100.0%				100.0%		
	Subtotal: Water System Operations	0					0.0%		
Chief Financial Officer									
	Office of the CFO	0					0.0%		
	Subtotal: Chief Financial Officer	0	100.0%				100.0%		
Corporate Resources									
	Business Services	0					0.0%		
	Asset Management	0					0.0%		
	Engineering Services	0					0.0%		
	Human Resources	0					0.0%		
	Information Technology	0					0.0%		
	Office of Manager	0					0.0%		
	Subtotal: Corporate Resources	0	100.0%				100.0%		
Water Resource Management									
	Resource Planning	0					0.0%		
	Resource Implementation	0					0.0%		
	Office of Manager	0					0.0%		
	Subtotal: Water Resource Management	0	100.0%				100.0%		
Legal Department									
		0	100.0%				100.0%		
Audit Department									
	Total Departmental O&M	0	100.0%				100.0%		
GENERAL DISTRICT REQUIREMENTS									
State Water Project									
	Existing Capital Costs								
	Transmission	0					0.0%		
	Delta-Water Charge (Supply)	0					0.0%		
	Future Capital Costs	0					0.0%		
	Minimum OMP&R								
	Transmission	0					0.0%		
	Delta-Water Charge (Supply)	0					0.0%		
	Bay Delta Category III Funding	0					0.0%		
	Off-Aqueduct	0					0.0%		
	Variable Power Cost	0					0.0%		
	SWP Credits								
	Power	0					0.0%		
	Transmission	0					0.0%		
	Bay-Delta (Supply)	0					0.0%		
	Subtotal: SWP	0					0.0%		
Colorado River Aqueduct									
	Power Cost	0					0.0%		
	CRA Supply Programs								
	IID 1	0					0.0%		
	Other # 1	0					0.0%		
	All American and Coachella Canal Lining O&M	0					0.0%		
	Other # 2	0					0.0%		
	Storage Programs	0					0.0%		
	Subtotal: Colorado River Aqueduct	0					0.0%		
Deposit to Water Transfer Fund									
		0					0.0%		
Water Management Programs									

FY2003

Basis of Classification	Functional Allocations: Water Quality CRA	Classification Percentages					% Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
Local Resources Program	0						0.0%
Conservation Credits Program	0						0.0%
Subtotal: WMP	0						0.0%
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	0						0.0%
G.O. Bond Debt Service	0						0.0%
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0						0.0%
Debt Defeasance/Tender	0						0.0%
Paygo From Annual Operating Revenues	0						0.0%
Subtotal: Capital Program	0						0.0%
Water Quality Exchange and Transfers	0						0.0%
Other Operating Costs							
Operating Equipment	0		100.0%				100.0%
Other	0						0.0%
Leases	0		100.0%				100.0%
EDMS Start-up	0		100.0%				100.0%
Water Standby Administration	0		100.0%				100.0%
Association Dues	0		100.0%				100.0%
Debt Administration	0		100.0%				100.0%
Insurance	0		100.0%				100.0%
Contingency	0		100.0%				100.0%
Miscellaneous Other O&M	0		100.0%				100.0%
P-1 Pumping Plant	0						0.0%
Subtotal: Leases And Operating Equipment	0						0.0%
Increase/(Decrease) in Required Reserves	0						0.0%
Total General District Requirements	0						
REQUIREMENTS BEFORE OFFSETS:	0						
Revenue Offsets							
Property Tax Revenues	0						0.0%
Interest	0						0.0%
Hydro-Power Revenues	0						0.0%
Other Revenues							
<i>Water Quality Division Revenue Generation</i>	0						0.0%
<i>All Other</i>	0						0.0%
Miscellaneous Revenues	0						0.0%
DVL Fill Power Costs from Transfer Fund	0						0.0%
PAYG from Prior Period Revenues	0	50.0%	50.0%				100.0%
Other	0						0.0%
SDCWA/MWD Exchange Agreement	0						0.0%
Wheeling	0						0.0%
Growth Charge/Annexation Revenues	0	0.0%	0.0%	0.0%		0.0%	0.0%
Subtotal: Revenue Offsets	0						0.0%
NET REVENUE REQUIREMENTS:	\$0						

Comparison check-sum (includes only visible line items)

\$	-
\$	-

Check-sum difference (should be zero)

(if there is a check-sum error, the check-sum difference should provide a clue as to which line item is improperly hidden)

Number of Negative Allocations (indicates an error)

0	0	0	0	0
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FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS							
<i>(by Group/Section)</i>							
Office of the Chief Executive Officer							
Office of Chief Executive Officer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Board of Directors	0	0	0	0	0	0	0
Subtotal: Office of the Chief Executive	0	0	0	0	0	0	0
External Affairs							
Legislative Services	0	0	0	0	0	0	0
Media Services	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Customer and Community	0	0	0	0	0	0	0
Subtotal: External Affairs	0	0	0	0	0	0	0
Water Systems Operations							
Office of Manager, A & G	0	0	0	0	0	0	0
Office of Manager, Conveyance and Distribut	0	0	0	0	0	0	0
Office of the Manager, Treatment Section	0	0	0	0	0	0	0
Office of the Manager, Operations Support Se	0	0	0	0	0	0	0
Operations Support Services,Construction Ser	0	0	0	0	0	0	0
C&D CRA Unit	0	0	0	0	0	0	0
C&D System Operations	0	0	0	0	0	0	0
Treatment Jensen	0	0	0	0	0	0	0
Treatment Diemer	0	0	0	0	0	0	0
Treatment Mills	0	0	0	0	0	0	0
Treatment Skinner	0	0	0	0	0	0	0
Treatment Weymouth	0	0	0	0	0	0	0
Water Quality Monitoring	0	0	0	0	0	0	0
C & D, Eastern Unit	0	0	0	0	0	0	0
C & D, Western Unit	0	0	0	0	0	0	0
OSS, Maintenance Support Unit	0	0	0	0	0	0	0
OSS, Environmental Support Unit	0	0	0	0	0	0	0
OSS, Fleet Maintenance	0	0	0	0	0	0	0
OSS, Power Support Unit	0	0	0	0	0	0	0
OSS, A&G (Project Support Team)	0	0	0	0	0	0	0
Subtotal: Water System Operations	0	0	0	0	0	0	0
Chief Financial Officer							
Office of the CFO	0	0	0	0	0	0	0
Subtotal: Chief Financial Officer	0	0	0	0	0	0	0
Corporate Resources							
Business Services	0	0	0	0	0	0	0
Asset Management	0	0	0	0	0	0	0
Engineering Services	0	0	0	0	0	0	0
Human Resources	0	0	0	0	0	0	0
Information Technology	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Subtotal: Corporate Resources	0	0	0	0	0	0	0
Water Resource Management							
Resource Planning	0	0	0	0	0	0	0
Resource Implementation	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Subtotal: Water Resource Management	0	0	0	0	0	0	0
Legal Department							
	0	0	0	0	0	0	0
Audit Department							
	0	0	0	0	0	0	0
Total Departmental O&M	0	0	0	0	0	0	0
GENERAL DISTRICT REQUIREMENTS							
State Water Project							
Existing Capital Costs							
<i>Transmission</i>							
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Future Capital Costs	0	0	0	0	0	0	0
Minimum OMP&R							
<i>Transmission</i>							
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Bay Delta Category III Funding	0	0	0	0	0	0	0
Off-Aqueduct	0	0	0	0	0	0	0
Variable Power Cost	0	0	0	0	0	0	0
SWP Credits							
<i>Power</i>							
Transmission	0	0	0	0	0	0	0
Bay-Delta (Supply)	0	0	0	0	0	0	0
Subtotal: SWP	0	0	0	0	0	0	0
Colorado River Aqueduct							
Power Cost	0	0	0	0	0	0	0
CRA Supply Programs							
IID 1	0	0	0	0	0	0	0
Other # 1	0	0	0	0	0	0	0
All American and Coachella Canal Lining C	0	0	0	0	0	0	0
Other # 2	0	0	0	0	0	0	0
Storage Programs	0	0	0	0	0	0	0
Subtotal: Colorado River Aqueduct	0	0	0	0	0	0	0
Deposit to Water Transfer Fund	0	0	0	0	0	0	0
Water Management Programs							

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
	Water Quality CRA	Demand	Commodity	Standby	Commodity	Hydroelectric	
Local Resources Program	0	0	0	0	0	0	0
Conservation Credits Program	0	0	0	0	0	0	0
Subtotal: WMP	0	0	0	0	0	0	0
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	0	0	0	0	0	0	0
G.O. Bond Debt Service	0	0	0	0	0	0	0
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0	0
Debt Defeasance/Tender	0	0	0	0	0	0	0
Paygo From Annual Operating Revenues	0	0	0	0	0	0	0
Subtotal: Capital Program	0	0	0	0	0	0	0
Water Quality Exchange and Transfers	0	0	0	0	0	0	0
Other Operating Costs							
Operating Equipment	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0
EDMS Start-up	0	0	0	0	0	0	0
Water Standby Administration	0	0	0	0	0	0	0
Association Dues	0	0	0	0	0	0	0
Debt Administration	0	0	0	0	0	0	0
Insurance	0	0	0	0	0	0	0
Contingency	0	0	0	0	0	0	0
Miscellaneous Other O&M	0	0	0	0	0	0	0
P-1 Pumping Plant	0	0	0	0	0	0	0
Subtotal: Leases And Operating Equipment	0	0	0	0	0	0	0
Increase/(Decrease) in Required Reserves	0	0	0	0	0	0	0
Total General District Requirements	0	0	0	0	0	0	0
REQUIREMENTS BEFORE OFFSETS:	0	0	0	0	0	0	0
Revenue Offsets							
Property Tax Revenues	0	0	0	0	0	0	0
Interest	0	0	0	0	0	0	0
Hydro-Power Revenues	0	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0	0
<i>Water Quality Division Revenue Generation</i>	0	0	0	0	0	0	0
<i>All Other</i>	0	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	0	0	0	0
DVL Fill Power Costs from Transfer Fund	0	0	0	0	0	0	0
PAYG from Prior Period Revenues	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
SDCWA/MWD Exchange Agreement	0	0	0	0	0	0	0
Wheeling	0	0	0	0	0	0	0
Growth Charge/Annexation Revenues	0	0	0	0	0	0	0
Subtotal: Revenue Offsets	0	0	0	0	0	0	0
NET REVENUE REQUIREMENTS:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

FY2003	Basis of Classification	Functional Allocations:	Classification Percentages					% Total	
			Water Quality SWP	Fixed			Variable		
				Demand	Commodity	Standby	Commodity		Hydroelectric
DEPARTMENTAL BUDGETS									
<i>(by Group/Section)</i>									
Office of the Chief Executive Officer									
	Office of Chief Executive Officer	\$	-					0.0%	
	Board of Directors	0						0.0%	
	Subtotal: Office of the Chief Executive Officer	0		100.0%				100.0%	
External Affairs									
	Legislative Services	0						0.0%	
	Media Services	0						0.0%	
	Office of Manager	0						0.0%	
	Customer and Community	0						0.0%	
	Subtotal: External Affairs	0		100.0%				100.0%	
Water Systems Operations									
	Office of Manager, A & G	0		100.0%				100.0%	
	Office of Manager, Conveyance and Distribution (C&A)	0		100.0%				100.0%	
	Office of the Manager, Treatment Section	0		100.0%				100.0%	
	Office of the Manager, Operations Support Services	0		100.0%				100.0%	
	Operations Support Services, Construction Services Unit	0		100.0%				100.0%	
	C&D CRA Unit	0		100.0%				100.0%	
	C&D System Operations	0		100.0%				100.0%	
	Treatment Jensen	0		73.3%		26.7%		100.0%	
	Treatment Diemer	0		45.6%		54.4%		100.0%	
	Treatment Mills	0		63.8%		36.2%		100.0%	
	Treatment Skinner	0		55.2%		44.8%		100.0%	
	Treatment Weymouth	0		60.7%		39.3%		100.0%	
	Water Quality Monitoring	0		100.0%				100.0%	
	C & D, Eastern Unit	0		100.0%				100.0%	
	C & D, Western Unit	0		100.0%				100.0%	
	OSS, Maintenance Support Unit	0		100.0%				100.0%	
	OSS, Environmental Support Unit	0		100.0%				100.0%	
	OSS, Fleet Maintenance	0		100.0%				100.0%	
	OSS, Power Support Unit	0		100.0%				100.0%	
	OSS, A&G (Project Support Team)	0		100.0%				100.0%	
	Subtotal: Water System Operations	0						0.0%	
Chief Financial Officer									
	Office of the CFO	0						0.0%	
	Subtotal: Chief Financial Officer	0		100.0%				100.0%	
Corporate Resources									
	Business Services	0						0.0%	
	Asset Management	0						0.0%	
	Engineering Services	0						0.0%	
	Human Resources	0						0.0%	
	Information Technology	0						0.0%	
	Office of Manager	0						0.0%	
	Subtotal: Corporate Resources	0		100.0%				100.0%	
Water Resource Management									
	Resource Planning	0						0.0%	
	Resource Implementation	0						0.0%	
	Office of Manager	0						0.0%	
	Subtotal: Water Resource Management	0		100.0%				100.0%	
Legal Department									
		0		100.0%				100.0%	
Audit Department									
	Total Departmental O&M	0		100.0%				100.0%	
GENERAL DISTRICT REQUIREMENTS									
State Water Project									
	Existing Capital Costs								
	Transmission	0						0.0%	
	Delta-Water Charge (Supply)	0						0.0%	
	Future Capital Costs	0						0.0%	
	Minimum OMP&R								
	Transmission	0						0.0%	
	Delta-Water Charge (Supply)	0						0.0%	
	Bay Delta Category III Funding	0						0.0%	
	Off-Aqueduct	0						0.0%	
	Variable Power Cost	0						0.0%	
	SWP Credits								
	Power	0						0.0%	
	Transmission	0						0.0%	
	Bay-Delta (Supply)	0						0.0%	
	Subtotal: SWP	0						0.0%	
Colorado River Aqueduct									
	Power Cost	0						0.0%	
	CRA Supply Programs								
	IID 1	0						0.0%	
	Other # 1	0						0.0%	
	All American and Coachella Canal Lining O&M	0						0.0%	
	Other # 2	0						0.0%	
	Storage Programs	0						0.0%	
	Subtotal: Colorado River Aqueduct	0						0.0%	
Deposit to Water Transfer Fund									
		0						0.0%	
Water Management Programs									

FY2003

Basis of Classification	Functional Allocations:	Classification Percentages					% Total
		Demand	Commodity	Standby	Commodity	Hydroelectric	
	Water Quality SWP						
Local Resources Program	0						0.0%
Conservation Credits Program	0						0.0%
Subtotal: WMP	0						0.0%
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	0						0.0%
G.O. Bond Debt Service	0						0.0%
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0						0.0%
Debt Defeasance/Tender	0						0.0%
Paygo From Annual Operating Revenues	0						0.0%
Subtotal: Capital Program	0						0.0%
Water Quality Exchange and Transfers	0						0.0%
Other Operating Costs							
Operating Equipment	0		100.0%				100.0%
Other	0						0.0%
Leases	0		100.0%				100.0%
EDMS Start-up	0		100.0%				100.0%
Water Standby Administration	0		100.0%				100.0%
Association Dues	0		100.0%				100.0%
Debt Administration	0		100.0%				100.0%
Insurance	0		100.0%				100.0%
Contingency	0		100.0%				100.0%
Miscellaneous Other O&M	0		100.0%				100.0%
P-1 Pumping Plant	0						0.0%
Subtotal: Leases And Operating Equipment	0						0.0%
Increase/(Decrease) in Required Reserves	0						0.0%
Total General District Requirements	0						
REQUIREMENTS BEFORE OFFSETS:	0						
Revenue Offsets							
Property Tax Revenues	0						0.0%
Interest	0						0.0%
Hydro-Power Revenues	0						0.0%
Other Revenues							
<i>Water Quality Division Revenue Generation</i>	0						0.0%
<i>All Other</i>	0						0.0%
Miscellaneous Revenues	0						0.0%
DVL Fill Power Costs from Transfer Fund	0						0.0%
PAYG from Prior Period Revenues	0	50.0%	50.0%				100.0%
Other	0						0.0%
SDCWA/MWD Exchange Agreement	0						0.0%
Wheeling	0						0.0%
Growth Charge/Annexation Revenues	0	0.0%	0.0%	0.0%		0.0%	0.0%
Subtotal: Revenue Offsets	0						0.0%
NET REVENUE REQUIREMENTS:	\$0						

Comparison check-sum (includes only visible line items) \$ -
 Check-sum difference (should be zero) \$ -
 (if there is a check-sum error, the check-sum difference should provide a clue as to which line item is improperly hidden)

Number of Negative Allocations (indicates an error) 0 0 0 0 0

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS							
<i>(by Group/Section)</i>							
Office of the Chief Executive Officer							
Office of Chief Executive Officer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Board of Directors	0	0	0	0	0	0	0
Subtotal: Office of the Chief Executive	0	0	0	0	0	0	0
External Affairs							
Legislative Services	0	0	0	0	0	0	0
Media Services	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Customer and Community	0	0	0	0	0	0	0
Subtotal: External Affairs	0	0	0	0	0	0	0
Water Systems Operations							
Office of Manager, A & G	0	0	0	0	0	0	0
Office of Manager, Conveyance and Distribut	0	0	0	0	0	0	0
Office of the Manager, Treatment Section	0	0	0	0	0	0	0
Office of the Manager, Operations Support Se	0	0	0	0	0	0	0
Operations Support Services, Construction Ser	0	0	0	0	0	0	0
C&D CRA Unit	0	0	0	0	0	0	0
C&D System Operations	0	0	0	0	0	0	0
Treatment Jensen	0	0	0	0	0	0	0
Treatment Diemer	0	0	0	0	0	0	0
Treatment Mills	0	0	0	0	0	0	0
Treatment Skinner	0	0	0	0	0	0	0
Treatment Weymouth	0	0	0	0	0	0	0
Water Quality Monitoring	0	0	0	0	0	0	0
C & D, Eastern Unit	0	0	0	0	0	0	0
C & D, Western Unit	0	0	0	0	0	0	0
OSS, Maintenance Support Unit	0	0	0	0	0	0	0
OSS, Environmental Support Unit	0	0	0	0	0	0	0
OSS, Fleet Maintenance	0	0	0	0	0	0	0
OSS, Power Support Unit	0	0	0	0	0	0	0
OSS, A&G (Project Support Team)	0	0	0	0	0	0	0
Subtotal: Water System Operations	0	0	0	0	0	0	0
Chief Financial Officer							
Office of the CFO	0	0	0	0	0	0	0
Subtotal: Chief Financial Officer	0	0	0	0	0	0	0
Corporate Resources							
Business Services	0	0	0	0	0	0	0
Asset Management	0	0	0	0	0	0	0
Engineering Services	0	0	0	0	0	0	0
Human Resources	0	0	0	0	0	0	0
Information Technology	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Subtotal: Corporate Resources	0	0	0	0	0	0	0
Water Resource Management							
Resource Planning	0	0	0	0	0	0	0
Resource Implementation	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Subtotal: Water Resource Management	0	0	0	0	0	0	0
Legal Department							
	0	0	0	0	0	0	0
Audit Department							
	0	0	0	0	0	0	0
Total Departmental O&M	0	0	0	0	0	0	0
GENERAL DISTRICT REQUIREMENTS							
State Water Project							
Existing Capital Costs							
<i>Transmission</i>							
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Future Capital Costs	0	0	0	0	0	0	0
Minimum OMP&R							
<i>Transmission</i>							
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Bay Delta Category III Funding	0	0	0	0	0	0	0
Off-Aqueduct	0	0	0	0	0	0	0
Variable Power Cost	0	0	0	0	0	0	0
SWP Credits							
<i>Power</i>							
Transmission	0	0	0	0	0	0	0
Bay-Delta (Supply)	0	0	0	0	0	0	0
Subtotal: SWP	0	0	0	0	0	0	0
Colorado River Aqueduct							
Power Cost	0	0	0	0	0	0	0
CRA Supply Programs							
IID 1	0	0	0	0	0	0	0
Other # 1	0	0	0	0	0	0	0
All American and Coachella Canal Lining C	0	0	0	0	0	0	0
Other # 2	0	0	0	0	0	0	0
Storage Programs	0	0	0	0	0	0	0
Subtotal: Colorado River Aqueduct	0	0	0	0	0	0	0
Deposit to Water Transfer Fund	0	0	0	0	0	0	0
Water Management Programs							

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
	Water Quality SWP	Demand	Commodity	Standby	Commodity	Hydroelectric	
Local Resources Program	0	0	0	0	0	0	0
Conservation Credits Program	0	0	0	0	0	0	0
Subtotal: WMP	0	0	0	0	0	0	0
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	0	0	0	0	0	0	0
G.O. Bond Debt Service	0	0	0	0	0	0	0
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0	0
Debt Defeasance/Tender	0	0	0	0	0	0	0
Paygo From Annual Operating Revenues	0	0	0	0	0	0	0
Subtotal: Capital Program	0	0	0	0	0	0	0
Water Quality Exchange and Transfers	0	0	0	0	0	0	0
Other Operating Costs							
Operating Equipment	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0
EDMS Start-up	0	0	0	0	0	0	0
Water Standby Administration	0	0	0	0	0	0	0
Association Dues	0	0	0	0	0	0	0
Debt Administration	0	0	0	0	0	0	0
Insurance	0	0	0	0	0	0	0
Contingency	0	0	0	0	0	0	0
Miscellaneous Other O&M	0	0	0	0	0	0	0
P-1 Pumping Plant	0	0	0	0	0	0	0
Subtotal: Leases And Operating Equipment	0	0	0	0	0	0	0
Increase/(Decrease) in Required Reserves	0	0	0	0	0	0	0
Total General District Requirements	0	0	0	0	0	0	0
REQUIREMENTS BEFORE OFFSETS:	0	0	0	0	0	0	0
Revenue Offsets							
Property Tax Revenues	0	0	0	0	0	0	0
Interest	0	0	0	0	0	0	0
Hydro-Power Revenues	0	0	0	0	0	0	0
Other Revenues							
Water Quality Division Revenue Generation	0	0	0	0	0	0	0
All Other	0	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	0	0	0	0
DVL Fill Power Costs from Transfer Fund	0	0	0	0	0	0	0
PAYG from Prior Period Revenues	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
SDCWA/MWD Exchange Agreement	0	0	0	0	0	0	0
Wheeling	0	0	0	0	0	0	0
Growth Charge/Annexation Revenues	0	0	0	0	0	0	0
Subtotal: Revenue Offsets	0	0	0	0	0	0	0
NET REVENUE REQUIREMENTS:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

FY2003	Basis of Classification	Functional Allocations:	Classification Percentages					% Total	
			Water Quality Other	Fixed			Variable		
				Demand	Commodity	Standby	Commodity		Hydroelectric
DEPARTMENTAL BUDGETS									
<i>(by Group/Section)</i>									
Office of the Chief Executive Officer									
	Office of Chief Executive Officer	\$	-					0.0%	
	Board of Directors	0						0.0%	
	Subtotal: Office of the Chief Executive Officer	0		100.0%				100.0%	
External Affairs									
	Legislative Services	0						0.0%	
	Media Services	0						0.0%	
	Office of Manager	0						0.0%	
	Customer and Community	0						0.0%	
	Subtotal: External Affairs	0		100.0%				100.0%	
Water Systems Operations									
	Office of Manager, A & G	0		100.0%				100.0%	
	Office of Manager, Conveyance and Distribution (C&A)	0		100.0%				100.0%	
	Office of the Manager, Treatment Section	0		100.0%				100.0%	
	Office of the Manager, Operations Support Services	0		100.0%				100.0%	
	Operations Support Services, Construction Services Unit	0		100.0%				100.0%	
	C&D CRA Unit	0		100.0%				100.0%	
	C&D System Operations	0		100.0%				100.0%	
	Treatment Jensen	0		73.3%		26.7%		100.0%	
	Treatment Diemer	0		45.6%		54.4%		100.0%	
	Treatment Mills	0		63.8%		36.2%		100.0%	
	Treatment Skinner	0		55.2%		44.8%		100.0%	
	Treatment Weymouth	0		60.7%		39.3%		100.0%	
	Water Quality Monitoring	0		100.0%				100.0%	
	C & D, Eastern Unit	0		100.0%				100.0%	
	C & D, Western Unit	0		100.0%				100.0%	
	OSS, Maintenance Support Unit	0		100.0%				100.0%	
	OSS, Environmental Support Unit	0		100.0%				100.0%	
	OSS, Fleet Maintenance	0		100.0%				100.0%	
	OSS, Power Support Unit	0		100.0%				100.0%	
	OSS, A&G (Project Support Team)	0		100.0%				100.0%	
	Subtotal: Water System Operations	0						0.0%	
Chief Financial Officer									
	Office of the CFO	0						0.0%	
	Subtotal: Chief Financial Officer	0		100.0%				100.0%	
Corporate Resources									
	Business Services	0						0.0%	
	Asset Management	0						0.0%	
	Engineering Services	0						0.0%	
	Human Resources	0						0.0%	
	Information Technology	0						0.0%	
	Office of Manager	0						0.0%	
	Subtotal: Corporate Resources	0		100.0%				100.0%	
Water Resource Management									
	Resource Planning	0						0.0%	
	Resource Implementation	0						0.0%	
	Office of Manager	0						0.0%	
	Subtotal: Water Resource Management	0		100.0%				100.0%	
Legal Department									
		0		100.0%				100.0%	
Audit Department									
	Total Departmental O&M	0		100.0%				100.0%	
GENERAL DISTRICT REQUIREMENTS									
State Water Project									
	Existing Capital Costs								
	Transmission	0						0.0%	
	Delta-Water Charge (Supply)	0						0.0%	
	Future Capital Costs	0						0.0%	
	Minimum OMP&R								
	Transmission	0						0.0%	
	Delta-Water Charge (Supply)	0						0.0%	
	Bay Delta Category III Funding	0						0.0%	
	Off-Aqueduct	0						0.0%	
	Variable Power Cost	0						0.0%	
	SWP Credits								
	Power	0						0.0%	
	Transmission	0						0.0%	
	Bay-Delta (Supply)	0						0.0%	
	Subtotal: SWP	0						0.0%	
Colorado River Aqueduct									
	Power Cost	0						0.0%	
	CRA Supply Programs								
	IID 1	0						0.0%	
	Other # 1	0						0.0%	
	All American and Coachella Canal Lining O&M	0						0.0%	
	Other # 2	0						0.0%	
	Storage Programs	0						0.0%	
	Subtotal: Colorado River Aqueduct	0						0.0%	
Deposit to Water Transfer Fund									
		0						0.0%	
Water Management Programs									

FY2003	Functional Allocations:	Classification Categories					Total	
		Water Quality	Fixed			Variable		
			Demand	Commodity	Standby	Commodity		Hydroelectric
DEPARTMENTAL BUDGETS								
<i>(by Group/Section)</i>								
Office of the Chief Executive Officer								
Office of Chief Executive Officer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Board of Directors	0	0	0	0	0	0	0	
Subtotal: Office of the Chief Executive	0	0	0	0	0	0	0	
External Affairs								
Legislative Services	0	0	0	0	0	0	0	
Media Services	0	0	0	0	0	0	0	
Office of Manager	0	0	0	0	0	0	0	
Customer and Community	0	0	0	0	0	0	0	
Subtotal: External Affairs	0	0	0	0	0	0	0	
Water Systems Operations								
Office of Manager, A & G	0	0	0	0	0	0	0	
Office of Manager, Conveyance and Distribut	0	0	0	0	0	0	0	
Office of the Manager, Treatment Section	0	0	0	0	0	0	0	
Office of the Manager, Operations Support Se	0	0	0	0	0	0	0	
Operations Support Services,Construction Ser	0	0	0	0	0	0	0	
C&D CRA Unit	0	0	0	0	0	0	0	
C&D System Operations	0	0	0	0	0	0	0	
Treatment Jensen	0	0	0	0	0	0	0	
Treatment Diemer	0	0	0	0	0	0	0	
Treatment Mills	0	0	0	0	0	0	0	
Treatment Skinner	0	0	0	0	0	0	0	
Treatment Weymouth	0	0	0	0	0	0	0	
Water Quality Monitoring	0	0	0	0	0	0	0	
C & D, Eastern Unit	0	0	0	0	0	0	0	
C & D, Western Unit	0	0	0	0	0	0	0	
OSS, Maintenance Support Unit	0	0	0	0	0	0	0	
OSS, Environmental Support Unit	0	0	0	0	0	0	0	
OSS, Fleet Maintenance	0	0	0	0	0	0	0	
OSS, Power Support Unit	0	0	0	0	0	0	0	
OSS, A&G (Project Support Team)	0	0	0	0	0	0	0	
Subtotal: Water System Operations	0	0	0	0	0	0	0	
Chief Financial Officer								
Office of the CFO	0	0	0	0	0	0	0	
Subtotal: Chief Financial Officer	0	0	0	0	0	0	0	
Corporate Resources								
Business Services	0	0	0	0	0	0	0	
Asset Management	0	0	0	0	0	0	0	
Engineering Services	0	0	0	0	0	0	0	
Human Resources	0	0	0	0	0	0	0	
Information Technology	0	0	0	0	0	0	0	
Office of Manager	0	0	0	0	0	0	0	
Subtotal: Corporate Resources	0	0	0	0	0	0	0	
Water Resource Management								
Resource Planning	0	0	0	0	0	0	0	
Resource Implementation	0	0	0	0	0	0	0	
Office of Manager	0	0	0	0	0	0	0	
Subtotal: Water Resource Management	0	0	0	0	0	0	0	
Legal Department								
	0	0	0	0	0	0	0	
Audit Department								
	0	0	0	0	0	0	0	
Total Departmental O&M	0	0	0	0	0	0	0	
GENERAL DISTRICT REQUIREMENTS								
State Water Project								
Existing Capital Costs								
<i>Transmission</i>								
Delta-Water Charge (Supply)	0	0	0	0	0	0	0	
Future Capital Costs	0	0	0	0	0	0	0	
Minimum OMP&R								
<i>Transmission</i>								
Delta-Water Charge (Supply)	0	0	0	0	0	0	0	
Bay Delta Category III Funding	0	0	0	0	0	0	0	
Off-Aqueduct	0	0	0	0	0	0	0	
Variable Power Cost	0	0	0	0	0	0	0	
SWP Credits								
<i>Power</i>								
Transmission	0	0	0	0	0	0	0	
Bay-Delta (Supply)	0	0	0	0	0	0	0	
Subtotal: SWP	0	0	0	0	0	0	0	
Colorado River Aqueduct								
Power Cost	0	0	0	0	0	0	0	
CRA Supply Programs								
IID 1	0	0	0	0	0	0	0	
Other # 1	0	0	0	0	0	0	0	
All American and Coachella Canal Lining C	0	0	0	0	0	0	0	
Other # 2	0	0	0	0	0	0	0	
Storage Programs	0	0	0	0	0	0	0	
Subtotal: Colorado River Aqueduct	0	0	0	0	0	0	0	
Deposit to Water Transfer Fund	0	0	0	0	0	0	0	
Water Management Programs								

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
	Water Quality						
	Other						
	Local Resources Program	0	0	0	0	0	0
	Conservation Credits Program	0	0	0	0	0	0
	Subtotal: WMP	0	0	0	0	0	0
	Capital Financing Program						
	Rev Bond D/S & Increase in I&P Fund	0	0	0	0	0	0
	G.O. Bond Debt Service	0	0	0	0	0	0
	Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0
	Debt Defeasance/Tender	0	0	0	0	0	0
	Paygo From Annual Operating Revenues	0	0	0	0	0	0
	Subtotal: Capital Program	0	0	0	0	0	0
	Water Quality Exchange and Transfers	0	0	0	0	0	0
	Other Operating Costs						
	Operating Equipment	0	0	0	0	0	0
	Other	0	0	0	0	0	0
	Leases	0	0	0	0	0	0
	EDMS Start-up	0	0	0	0	0	0
	Water Standby Administration	0	0	0	0	0	0
	Association Dues	0	0	0	0	0	0
	Debt Administration	0	0	0	0	0	0
	Insurance	0	0	0	0	0	0
	Contingency	0	0	0	0	0	0
	Miscellaneous Other O&M	0	0	0	0	0	0
	P-1 Pumping Plant	0	0	0	0	0	0
	Subtotal: Leases And Operating Equipment	0	0	0	0	0	0
	Increase/(Decrease) in Required Reserves	0	0	0	0	0	0
	Total General District Requirements	0	0	0	0	0	0
	REQUIREMENTS BEFORE OFFSETS:	0	0	0	0	0	0
	Revenue Offsets						
	Property Tax Revenues	0	0	0	0	0	0
	Interest	0	0	0	0	0	0
	Hydro-Power Revenues	0	0	0	0	0	0
	Other Revenues						
	Water Quality Division Revenue Generation	0	0	0	0	0	0
	All Other	0	0	0	0	0	0
	Miscellaneous Revenues	0	0	0	0	0	0
	DVL Fill Power Costs from Transfer Fund	0	0	0	0	0	0
	PAYG from Prior Period Revenues	0	0	0	0	0	0
	Other	0	0	0	0	0	0
	SDCWA/MWD Exchange Agreement	0	0	0	0	0	0
	Wheeling	0	0	0	0	0	0
	Growth Charge/Annexation Revenues	0	0	0	0	0	0
	Subtotal: Revenue Offsets	0	0	0	0	0	0
	NET REVENUE REQUIREMENTS:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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Basis of Classification	Functional Allocations: Jensen	Classification Percentages					% Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS							
<i>(by Group/Section)</i>							
Office of the Chief Executive Officer							
Office of Chief Executive Officer	\$ 200,825						0.0%
Board of Directors	0						0.0%
Subtotal: Office of the Chief Executive Officer	200,825		100.0%				100.0%
External Affairs							
Legislative Services	0						0.0%
Media Services	0						0.0%
Office of Manager	0						0.0%
Customer and Community	0						0.0%
Subtotal: External Affairs	0		100.0%				100.0%
Water Systems Operations							
Office of Manager, A & G	361,550		100.0%				100.0%
Office of Manager, Conveyance and Distribution (C&A)	0		100.0%				100.0%
Office of the Manager, Treatment Section	25,463		100.0%				100.0%
Office of the Manager, Operations Support Services	24,004		100.0%				100.0%
Operations Support Services, Construction Services Unit	0		100.0%				100.0%
C&D CRA Unit	0		100.0%				100.0%
C&D System Operations	0		100.0%				100.0%
Treatment Jensen	5,398,224		73.3%		26.7%		100.0%
Treatment Diemer	0		45.6%		54.4%		100.0%
Treatment Mills	0		63.8%		36.2%		100.0%
Treatment Skinner	0		55.2%		44.8%		100.0%
Treatment Weymouth	0		60.7%		39.3%		100.0%
Water Quality Monitoring	953,806		100.0%				100.0%
C & D, Eastern Unit	0		100.0%				100.0%
C & D, Western Unit	0		100.0%				100.0%
OSS, Maintenance Support Unit	244,522		100.0%				100.0%
OSS, Environmental Support Unit	319,257		100.0%				100.0%
OSS, Fleet Maintenance	369,796		100.0%				100.0%
OSS, Power Support Unit	0		100.0%				100.0%
OSS, A&G (Project Support Team)	70,567		100.0%				100.0%
Subtotal: Water System Operations	7,767,188						0.0%
Chief Financial Officer							
Office of the CFO	0						0.0%
Subtotal: Chief Financial Officer	0		100.0%				100.0%
Corporate Resources							
Business Services	0						0.0%
Asset Management	101,736						0.0%
Engineering Services	945,008						0.0%
Human Resources	569,766						0.0%
Information Technology	855,109						0.0%
Office of Manager	27,430						0.0%
Subtotal: Corporate Resources	2,499,049		100.0%				100.0%
Water Resource Management							
Resource Planning	37,509						0.0%
Resource Implementation	0						0.0%
Office of Manager	11,814						0.0%
Subtotal: Water Resource Management	49,323		100.0%				100.0%
Legal Department							
	0		100.0%				100.0%
Audit Department							
	0		100.0%				100.0%
Total Departmental O&M	10,516,385						0.0%
GENERAL DISTRICT REQUIREMENTS							
State Water Project							
Existing Capital Costs							
<i>Transmission</i>							
Delta-Water Charge (Supply)	0						0.0%
Delta-Water Charge (Supply)	0						0.0%
Future Capital Costs	0						0.0%
Minimum OMP&R							
<i>Transmission</i>							
Delta-Water Charge (Supply)	0						0.0%
Delta-Water Charge (Supply)	0						0.0%
Bay Delta Category III Funding	0						0.0%
Off-Aqueduct	0						0.0%
Variable Power Cost	0						0.0%
SWP Credits							
<i>Power</i>							
Transmission	0						0.0%
Transmission	0						0.0%
Bay-Delta (Supply)	0						0.0%
Subtotal: SWP	0						0.0%
Colorado River Aqueduct							
Power Cost	0						0.0%
CRA Supply Programs							
IID 1	0						0.0%
Other # 1	0						0.0%
All American and Coachella Canal Lining O&M	0						0.0%
Other # 2	0						0.0%
Storage Programs	0						0.0%
Subtotal: Colorado River Aqueduct	0						0.0%
Deposit to Water Transfer Fund							
	0						0.0%
Water Management Programs							

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Basis of Classification	Functional Allocations: Jensen	Classification Percentages					% Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
Local Resources Program	0						0.0%
Conservation Credits Program	0						0.0%
Subtotal: WMP	0						0.0%
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	9,133,507						0.0%
G.O. Bond Debt Service	2,604,098						0.0%
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0						0.0%
Debt Defeasance/Tender	1,077,348						0.0%
Paygo From Annual Operating Revenues	6,944,140						0.0%
Subtotal: Capital Program	19,759,093	55.8%	41.1%	3.1%	0.0%		100.0%
Water Quality Exchange and Transfers	0						0.0%
Other Operating Costs							
Operating Equipment	594,183		100.0%				100.0%
Other	0						0.0%
Leases	0		100.0%				100.0%
EDMS Start-up	0		100.0%				100.0%
Water Standby Administration	0		100.0%				100.0%
Association Dues	55,647		100.0%				100.0%
Debt Administration	143,920		100.0%				100.0%
Insurance	21,477		100.0%				100.0%
Contingency	39,235		100.0%				100.0%
Miscellaneous Other O&M	0		100.0%				100.0%
P-1 Pumping Plant	0						0.0%
Subtotal: Leases And Operating Equipment	854,462						0.0%
Increase/(Decrease) in Required Reserves	(64,010)	35.4%	58.0%	2.0%	4.6%	0.0%	100.0%
Total General District Requirements	20,549,545						
REQUIREMENTS BEFORE OFFSETS:	31,065,930						
Revenue Offsets							
Property Tax Revenues	2,604,098	81.1%	0.0%	18.9%	0.0%	0.0%	100.0%
Interest	1,104,433	55.8%	41.1%	3.1%	0.0%		100.0%
Hydro-Power Revenues	0						0.0%
Other Revenues	0						0.0%
<i>Water Quality Division Revenue Generation</i>	0						0.0%
<i>All Other</i>	0						0.0%
Miscellaneous Revenues	0	35.4%	58.0%	2.0%	4.6%	0.0%	100.0%
DVL Fill Power Costs from Transfer Fund	0						0.0%
PAYG from Prior Period Revenues	2,575,140	55.8%	41.1%	3.1%			100.0%
Other	0						0.0%
SDCWA/MWD Exchange Agreement	0						0.0%
Wheeling	0						0.0%
Growth Charge/Annexation Revenues	62,346	55.8%	41.1%	3.1%		0.0%	100.0%
Subtotal: Revenue Offsets	6,346,017						0.0%
NET REVENUE REQUIREMENTS:	\$ 24,719,913						
Comparison check-sum (includes only visible line items)	\$ 24,719,913						
Check-sum difference (should be zero)	\$ -						
(if there is a check-sum error, the check-sum difference should provide a clue as to which line item is improperly hidden)							
Number of Negative Allocations (indicates an error)		0	0	0	0	0	

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Functional Allocations:	Classification Categories					Total	
	Jensen	Fixed			Variable		Hydroelectric
		Demand	Commodity	Standby	Commodity		
DEPARTMENTAL BUDGETS							
<i>(by Group/Section)</i>							
Office of the Chief Executive Officer							
Office of Chief Executive Officer	\$ 200,825	\$ -	\$ 200,825	\$ -	\$ -	\$ 200,825	
Board of Directors	0	0	0	0	0	0	
Subtotal: Office of the Chief Executive Officer	200,825	0	200,825	0	0	200,825	
External Affairs							
Legislative Services	0	0	0	0	0	0	
Media Services	0	0	0	0	0	0	
Office of Manager	0	0	0	0	0	0	
Customer and Community	0	0	0	0	0	0	
Subtotal: External Affairs	0	0	0	0	0	0	
Water Systems Operations							
Office of Manager, A & G	361,550	0	361,550	0	0	361,550	
Office of Manager, Conveyance and Distribution (C&A)	0	0	0	0	0	0	
Office of the Manager, Treatment Section	25,463	0	25,463	0	0	25,463	
Office of the Manager, Operations Support Services	24,004	0	24,004	0	0	24,004	
Operations Support Services, Construction Services Unit	0	0	0	0	0	0	
C&D CRA Unit	0	0	0	0	0	0	
C&D System Operations	0	0	0	0	0	0	
Treatment Jensen	5,398,224	0	3,956,560	0	1,441,664	5,398,224	
Treatment Diemer	0	0	0	0	0	0	
Treatment Mills	0	0	0	0	0	0	
Treatment Skinner	0	0	0	0	0	0	
Treatment Weymouth	0	0	0	0	0	0	
Water Quality Monitoring	953,806	0	953,806	0	0	953,806	
C & D, Eastern Unit	0	0	0	0	0	0	
C & D, Western Unit	0	0	0	0	0	0	
OSS, Maintenance Support Unit	244,522	0	244,522	0	0	244,522	
OSS, Environmental Support Unit	319,257	0	319,257	0	0	319,257	
OSS, Fleet Maintenance	369,796	0	369,796	0	0	369,796	
OSS, Power Support Unit	0	0	0	0	0	0	
OSS, A&G (Project Support Team)	70,567	0	70,567	0	0	70,567	
Subtotal: Water System Operations	7,767,188	0	6,325,524	0	1,441,664	7,767,188	
Chief Financial Officer							
Office of the CFO	0	0	0	0	0	0	
Subtotal: Chief Financial Officer	0	0	0	0	0	0	
Corporate Resources							
Business Services	0	0	0	0	0	0	
Asset Management	101,736	0	101,736	0	0	101,736	
Engineering Services	945,008	0	945,008	0	0	945,008	
Human Resources	569,766	0	569,766	0	0	569,766	
Information Technology	855,109	0	855,109	0	0	855,109	
Office of Manager	27,430	0	27,430	0	0	27,430	
Subtotal: Corporate Resources	2,499,049	0	2,499,049	0	0	2,499,049	
Water Resource Management							
Resource Planning	37,509	0	37,509	0	0	37,509	
Resource Implementation	0	0	0	0	0	0	
Office of Manager	11,814	0	11,814	0	0	11,814	
Subtotal: Water Resource Management	49,323	0	49,323	0	0	49,323	
Legal Department							
	0	0	0	0	0	0	
Audit Department							
	0	0	0	0	0	0	
Total Departmental O&M	10,516,385	0	9,074,721	0	1,441,664	10,516,385	
GENERAL DISTRICT REQUIREMENTS							
State Water Project							
Existing Capital Costs							
Transmission	0	0	0	0	0	0	
Delta-Water Charge (Supply)	0	0	0	0	0	0	
Future Capital Costs	0	0	0	0	0	0	
Minimum OMP&R							
Transmission	0	0	0	0	0	0	
Delta-Water Charge (Supply)	0	0	0	0	0	0	
Bay Delta Category III Funding	0	0	0	0	0	0	
Off-Aqueduct	0	0	0	0	0	0	
Variable Power Cost	0	0	0	0	0	0	
SWP Credits							
Power	0	0	0	0	0	0	
Transmission	0	0	0	0	0	0	
Bay-Delta (Supply)	0	0	0	0	0	0	
Subtotal: SWP	0	0	0	0	0	0	
Colorado River Aqueduct							
Power Cost	0	0	0	0	0	0	
CRA Supply Programs							
IID 1	0	0	0	0	0	0	
Other # 1	0	0	0	0	0	0	
All American and Coachella Canal Lining O&M	0	0	0	0	0	0	
Other # 2	0	0	0	0	0	0	
Storage Programs	0	0	0	0	0	0	
Subtotal: Colorado River Aqueduct	0	0	0	0	0	0	
Deposit to Water Transfer Fund							
	0	0	0	0	0	0	
Water Management Programs							

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Functional Allocations:	Classification Categories						Total
	Jensen	Fixed			Variable	Hydroelectric	
		Demand	Commodity	Standby	Commodity		
Local Resources Program	0	0	0	0	0	0	0
Conservation Credits Program	0	0	0	0	0	0	0
Subtotal: WMP	0	0	0	0	0	0	0
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	9,133,507	5,094,320	3,757,095	282,091	0	0	9,133,507
G.O. Bond Debt Service	2,604,098	1,452,466	1,071,203	80,428	0	0	2,604,098
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0	0
Debt Defeasance/Tender	1,077,348	600,903	443,170	33,274	0	0	1,077,348
Paygo From Annual Operating Revenues	6,944,140	3,873,175	2,856,493	214,472	0	0	6,944,140
Subtotal: Capital Program	19,759,093	11,020,865	8,127,961	610,266	0	0	19,759,093
Water Quality Exchange and Transfers	0	0	0	0	0	0	0
Other Operating Costs							
Operating Equipment	594,183	0	594,183	0	0	0	594,183
Other	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0
EDMS Start-up	0	0	0	0	0	0	0
Water Standby Administration	0	0	0	0	0	0	0
Association Dues	55,647	0	55,647	0	0	0	55,647
Debt Administration	143,920	0	143,920	0	0	0	143,920
Insurance	21,477	0	21,477	0	0	0	21,477
Contingency	39,235	0	39,235	0	0	0	39,235
Miscellaneous Other O&M	0	0	0	0	0	0	0
P-1 Pumping Plant	0	0	0	0	0	0	0
Subtotal: Leases And Operating Equipment	854,462	0	854,462	0	0	0	854,462
Increase/(Decrease) in Required Reserves	(64,010)	(22,661)	(37,129)	(1,255)	(2,964)	0	(64,010)
Total General District Requirements	20,549,545	10,998,204	8,945,294	609,011	(2,964)	0	20,549,545
REQUIREMENTS BEFORE OFFSETS:	31,065,930	10,998,204	18,020,015	609,011	1,438,700	0	31,065,930
Revenue Offsets							
Property Tax Revenues	2,604,098	2,110,657	0	493,441	0	0	2,604,098
Interest	1,104,433	616,010	454,312	34,111	0	0	1,104,433
Hydro-Power Revenues	0	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0	0
<i>Water Quality Division Revenue Generation</i>	0	0	0	0	0	0	0
<i>All Other</i>	0	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	0	0	0	0
DVL Fill Power Costs from Transfer Fund	0	0	0	0	0	0	0
PAYG from Prior Period Revenues	2,575,140	1,436,314	1,059,291	79,534	0	0	2,575,140
Other	0	0	0	0	0	0	0
SDCWA/MWD Exchange Agreement	0	0	0	0	0	0	0
Wheeling	0	0	0	0	0	0	0
Growth Charge/Annexation Revenues	62,346	34,774	25,646	1,926	0	0	62,346
Subtotal: Revenue Offsets	6,346,017	4,197,756	1,539,249	609,011	0	0	6,346,017
NET REVENUE REQUIREMENTS:	\$ 24,719,913	\$ 6,800,448	\$ 16,480,766	\$ -	\$ 1,438,700	\$ -	\$ 24,719,913

FY2003	Basis of Classification	Functional Allocations: Weymouth	Classification Percentages					% Total
			Fixed			Variable		
			Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS								
<i>(by Group/Section)</i>								
Office of the Chief Executive Officer								
	Office of Chief Executive Officer	\$ 204,825						0.0%
	Board of Directors	0						0.0%
	Subtotal: Office of the Chief Executive Officer	204,825		100.0%				100.0%
External Affairs								
	Legislative Services	0						0.0%
	Media Services	0						0.0%
	Office of Manager	0						0.0%
	Customer and Community	0						0.0%
	Subtotal: External Affairs	0		100.0%				100.0%
Water Systems Operations								
	Office of Manager, A & G	461,166		100.0%				100.0%
	Office of Manager, Conveyance and Distribution (C&A)	0		100.0%				100.0%
	Office of the Manager, Treatment Section	33,718		100.0%				100.0%
	Office of the Manager, Operations Support Services	30,617		100.0%				100.0%
	Operations Support Services, Construction Services Unit	0		100.0%				100.0%
	C&D CRA Unit	0		100.0%				100.0%
	C&D System Operations	0		100.0%				100.0%
	Treatment Jensen	0		73.3%		26.7%		100.0%
	Treatment Diemer	0		45.6%		54.4%		100.0%
	Treatment Mills	0		63.8%		36.2%		100.0%
	Treatment Skinner	0		55.2%		44.8%		100.0%
	Treatment Weymouth	7,148,206		60.7%		39.3%		100.0%
	Water Quality Monitoring	953,806		100.0%				100.0%
	C & D, Eastern Unit	0		100.0%				100.0%
	C & D, Western Unit	0		100.0%				100.0%
	OSS, Maintenance Support Unit	311,934		100.0%				100.0%
	OSS, Environmental Support Unit	407,274		100.0%				100.0%
	OSS, Fleet Maintenance	471,746		100.0%				100.0%
	OSS, Power Support Unit	0		100.0%				100.0%
	OSS, A&G (Project Support Team)	90,021		100.0%				100.0%
	Subtotal: Water System Operations	9,908,489						0.0%
Chief Financial Officer								
	Office of the CFO	0						0.0%
	Subtotal: Chief Financial Officer	0		100.0%				100.0%
Corporate Resources								
	Business Services	0						0.0%
	Asset Management	24,733						0.0%
	Engineering Services	255,557						0.0%
	Human Resources	612,398						0.0%
	Information Technology	919,092						0.0%
	Office of Manager	27,430						0.0%
	Subtotal: Corporate Resources	1,839,210		100.0%				100.0%
Water Resource Management								
	Resource Planning	37,509						0.0%
	Resource Implementation	0						0.0%
	Office of Manager	11,814						0.0%
	Subtotal: Water Resource Management	49,323		100.0%				100.0%
Legal Department								
		0		100.0%				100.0%
Audit Department								
	Total Departmental O&M	0		100.0%				100.0%
		12,001,848						0.0%
GENERAL DISTRICT REQUIREMENTS								
State Water Project								
	Existing Capital Costs							
	Transmission							
	Delta-Water Charge (Supply)	0						0.0%
	Delta-Water Charge (Supply)	0						0.0%
	Future Capital Costs	0						0.0%
	Minimum OMP&R							
	Transmission							
	Delta-Water Charge (Supply)	0						0.0%
	Delta-Water Charge (Supply)	0						0.0%
	Bay Delta Category III Funding	0						0.0%
	Off-Aqueduct	0						0.0%
	Variable Power Cost	0						0.0%
	SWP Credits							
	Power							
	Transmission	0						0.0%
	Transmission	0						0.0%
	Bay-Delta (Supply)	0						0.0%
	Subtotal: SWP	0						0.0%
Colorado River Aqueduct								
	Power Cost	0						0.0%
	CRA Supply Programs							
	IID 1	0						0.0%
	Other # 1	0						0.0%
	All American and Coachella Canal Lining O&M	0						0.0%
	Other # 2	0						0.0%
	Storage Programs	0						0.0%
	Subtotal: Colorado River Aqueduct	0						0.0%
Deposit to Water Transfer Fund								
		0						0.0%
Water Management Programs								

FY2003	Basis of Classification	Functional Allocations: Weymouth	Classification Percentages					% Total
			Fixed			Variable		
			Demand	Commodity	Standby	Commodity	Hydroelectric	
	Local Resources Program	0						0.0%
	Conservation Credits Program	0						0.0%
	Subtotal: WMP	0						0.0%
	Capital Financing Program							
	Rev Bond D/S & Increase in I&P Fund	2,469,956						0.0%
	G.O. Bond Debt Service	704,221						0.0%
	Non-Rev. Bond Var. Rate Debt Int. Pmts.	0						0.0%
	Debt Defeasance/Tender	291,345						0.0%
	Paygo From Annual Operating Revenues	1,877,890						0.0%
	Subtotal: Capital Program	5,343,412	55.8%	41.1%	3.1%	0.0%		100.0%
	Water Quality Exchange and Transfers	0						0.0%
	Other Operating Costs							
	Operating Equipment	606,020		100.0%				100.0%
	Other	0						0.0%
	Leases	0		100.0%				100.0%
	EDMS Start-up	0		100.0%				100.0%
	Water Standby Administration	0		100.0%				100.0%
	Association Dues	56,756		100.0%				100.0%
	Debt Administration	38,920		100.0%				100.0%
	Insurance	24,511		100.0%				100.0%
	Contingency	44,777		100.0%				100.0%
	Miscellaneous Other O&M	0		100.0%				100.0%
	P-1 Pumping Plant	0						0.0%
	Subtotal: Leases And Operating Equipment	770,983						0.0%
	Increase/(Decrease) in Required Reserves	(73,051)	16.5%	67.1%	0.9%	15.5%	0.0%	100.0%
	Total General District Requirements	6,041,344						
	REQUIREMENTS BEFORE OFFSETS:	18,043,192						
	Revenue Offsets							
	Property Tax Revenues	704,221	82.6%	0.0%	17.4%	0.0%	0.0%	100.0%
	Interest	641,458	55.8%	41.1%	3.1%	0.0%		100.0%
	Hydro-Power Revenues	0						0.0%
	Other Revenues	0						0.0%
	<i>Water Quality Division Revenue Generation</i>	0						0.0%
	<i>All Other</i>	0						0.0%
	Miscellaneous Revenues	0	16.5%	67.1%	0.9%	15.5%	0.0%	100.0%
	DVL Fill Power Costs from Transfer Fund	0						0.0%
	PAYG from Prior Period Revenues	696,390	55.8%	41.1%	3.1%			100.0%
	Other	0						0.0%
	SDCWA/MWD Exchange Agreement	0						0.0%
	Wheeling	0						0.0%
	Growth Charge/Annexation Revenues	16,860	55.8%	41.1%	3.1%		0.0%	100.0%
	Subtotal: Revenue Offsets	2,058,929						0.0%
	NET REVENUE REQUIREMENTS:	\$ 15,984,263						
	Comparison check-sum (includes only visible line items)	\$ 15,984,263						
	Check-sum difference (should be zero)	\$ -						
	(if there is a check-sum error, the check-sum difference should provide a clue as to which line item is improperly hidden)							
	Number of Negative Allocations (indicates an error)		0	0	0	0	0	

FY2003	Functional Allocations: Weymouth	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS							
<i>(by Group/Section)</i>							
Office of the Chief Executive Officer							
Office of Chief Executive Officer	\$ 204,825	\$ -	\$ 204,825	\$ -	\$ -	\$ -	\$ 204,825
Board of Directors	0	0	0	0	0	0	-
Subtotal: Office of the Chief Executive	204,825	0	204,825	0	0	0	204,825
External Affairs							
Legislative Services	0	0	0	0	0	0	0
Media Services	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Customer and Community	0	0	0	0	0	0	0
Subtotal: External Affairs	0	0	0	0	0	0	0
Water Systems Operations							
Office of Manager, A & G	461,166	0	461,166	0	0	0	461,166
Office of Manager, Conveyance and Distribut	0	0	0	0	0	0	0
Office of the Manager, Treatment Section	33,718	0	33,718	0	0	0	33,718
Office of the Manager, Operations Support Se	30,617	0	30,617	0	0	0	30,617
Operations Support Services, Construction Ser	0	0	0	0	0	0	0
C&D CRA Unit	0	0	0	0	0	0	0
C&D System Operations	0	0	0	0	0	0	0
Treatment Jensen	0	0	0	0	0	0	0
Treatment Diemer	0	0	0	0	0	0	0
Treatment Mills	0	0	0	0	0	0	0
Treatment Skinner	0	0	0	0	0	0	0
Treatment Weymouth	7,148,206	0	4,336,595	0	2,811,611	0	7,148,206
Water Quality Monitoring	953,806	0	953,806	0	0	0	953,806
C & D, Eastern Unit	0	0	0	0	0	0	0
C & D, Western Unit	0	0	0	0	0	0	0
OSS, Maintenance Support Unit	311,934	0	311,934	0	0	0	311,934
OSS, Environmental Support Unit	407,274	0	407,274	0	0	0	407,274
OSS, Fleet Maintenance	471,746	0	471,746	0	0	0	471,746
OSS, Power Support Unit	0	0	0	0	0	0	0
OSS, A&G (Project Support Team)	90,021	0	90,021	0	0	0	90,021
Subtotal: Water System Operations	9,908,489	0	7,096,878	0	2,811,611	0	9,908,489
Chief Financial Officer							
Office of the CFO	0	0	0	0	0	0	0
Subtotal: Chief Financial Officer	0	0	0	0	0	0	0
Corporate Resources							
Business Services	0	0	0	0	0	0	0
Asset Management	24,733	0	24,733	0	0	0	24,733
Engineering Services	255,557	0	255,557	0	0	0	255,557
Human Resources	612,398	0	612,398	0	0	0	612,398
Information Technology	919,092	0	919,092	0	0	0	919,092
Office of Manager	27,430	0	27,430	0	0	0	27,430
Subtotal: Corporate Resources	1,839,210	0	1,839,210	0	0	0	1,839,210
Water Resource Management							
Resource Planning	37,509	0	37,509	0	0	0	37,509
Resource Implementation	0	0	0	0	0	0	0
Office of Manager	11,814	0	11,814	0	0	0	11,814
Subtotal: Water Resource Management	49,323	0	49,323	0	0	0	49,323
Legal Department							
	0	0	0	0	0	0	0
Audit Department							
	0	0	0	0	0	0	0
Total Departmental O&M	12,001,848	0	9,190,237	0	2,811,611	0	12,001,848
GENERAL DISTRICT REQUIREMENTS							
State Water Project							
Existing Capital Costs							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Future Capital Costs	0	0	0	0	0	0	0
Minimum OMP&R							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Bay Delta Category III Funding	0	0	0	0	0	0	0
Off-Aqueduct	0	0	0	0	0	0	0
Variable Power Cost	0	0	0	0	0	0	0
SWP Credits							
Power	0	0	0	0	0	0	0
Transmission	0	0	0	0	0	0	0
Bay-Delta (Supply)	0	0	0	0	0	0	0
Subtotal: SWP	0	0	0	0	0	0	0
Colorado River Aqueduct							
Power Cost	0	0	0	0	0	0	0
CRA Supply Programs							
IID 1	0	0	0	0	0	0	0
Other # 1	0	0	0	0	0	0	0
All American and Coachella Canal Lining C	0	0	0	0	0	0	0
Other # 2	0	0	0	0	0	0	0
Storage Programs	0	0	0	0	0	0	0
Subtotal: Colorado River Aqueduct	0	0	0	0	0	0	0
Deposit to Water Transfer Fund							
	0	0	0	0	0	0	0
Water Management Programs							

FY2003	Functional Allocations: Weymouth	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
Local Resources Program	0	0	0	0	0	0	0
Conservation Credits Program	0	0	0	0	0	0	0
Subtotal: WMP	0	0	0	0	0	0	0
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	2,469,956	1,377,647	1,016,024	76,285	0	0	2,469,956
G.O. Bond Debt Service	704,221	392,788	289,683	21,750	0	0	704,221
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0	0
Debt Defeasance/Tender	291,345	162,501	119,846	8,998	0	0	291,345
Paygo From Annual Operating Revenues	1,877,890	1,047,415	772,476	57,999	0	0	1,877,890
Subtotal: Capital Program	5,343,412	2,980,351	2,198,028	165,033	0	0	5,343,412
Water Quality Exchange and Transfers	0	0	0	0	0	0	0
Other Operating Costs							
Operating Equipment	606,020	0	606,020	0	0	0	606,020
Other	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0
EDMS Start-up	0	0	0	0	0	0	0
Water Standby Administration	0	0	0	0	0	0	0
Association Dues	56,756	0	56,756	0	0	0	56,756
Debt Administration	38,920	0	38,920	0	0	0	38,920
Insurance	24,511	0	24,511	0	0	0	24,511
Contingency	44,777	0	44,777	0	0	0	44,777
Miscellaneous Other O&M	0	0	0	0	0	0	0
P-1 Pumping Plant	0	0	0	0	0	0	0
Subtotal: Leases And Operating Equipment	770,983	0	770,983	0	0	0	770,983
Increase/(Decrease) in Required Reserves	(73,051)	(12,018)	(49,030)	(665)	(11,337)	0	(73,051)
Total General District Requirements	6,041,344	2,968,333	2,919,981	164,368	(11,337)	0	6,041,344
REQUIREMENTS BEFORE OFFSETS:	18,043,192	2,968,333	12,110,218	164,368	2,800,273	0	18,043,192
Revenue Offsets							
Property Tax Revenues	704,221	581,694	0	122,527	0	0	704,221
Interest	641,458	357,781	263,866	19,812	0	0	641,458
Hydro-Power Revenues	0	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0	0
Water Quality Division Revenue Generation	0	0	0	0	0	0	0
All Other	0	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	0	0	0	0
DVL Fill Power Costs from Transfer Fund	0	0	0	0	0	0	0
PAYG from Prior Period Revenues	696,390	388,420	286,462	21,508	0	0	696,390
Other	0	0	0	0	0	0	0
SDCWA/MWD Exchange Agreement	0	0	0	0	0	0	0
Wheeling	0	0	0	0	0	0	0
Growth Charge/Annexation Revenues	16,860	9,404	6,935	521	0	0	16,860
Subtotal: Revenue Offsets	2,058,929	1,337,299	557,263	164,368	0	0	2,058,929
NET REVENUE REQUIREMENTS:	\$ 15,984,263	\$ 1,631,034	\$ 11,552,955	\$ -	\$ 2,800,273	\$ -	\$ 15,984,263

FY2003	Basis of Classification	Functional Allocations: Diemer	Classification Percentages					% Total
			Fixed			Variable		
			Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS <i>(by Group/Section)</i>								
Office of the Chief Executive Officer								
	Office of Chief Executive Officer	\$ 196,192						0.0%
	Board of Directors	0						0.0%
	Subtotal: Office of the Chief Executive Officer	196,192		100.0%				100.0%
External Affairs								
	Legislative Services	0						0.0%
	Media Services	0						0.0%
	Office of Manager	0						0.0%
	Customer and Community	0						0.0%
	Subtotal: External Affairs	0		100.0%				100.0%
Water Systems Operations								
	Office of Manager, A & G	532,789		100.0%				100.0%
	Office of Manager, Conveyance and Distribution (C&A)	0		100.0%				100.0%
	Office of the Manager, Treatment Section	39,653		100.0%				100.0%
	Office of the Manager, Operations Support Services	35,373		100.0%				100.0%
	Operations Support Services, Construction Services Unit	0		100.0%				100.0%
	C&D CRA Unit	0		100.0%				100.0%
	C&D System Operations	0		100.0%				100.0%
	Treatment Jensen	0		73.3%		26.7%		100.0%
	Treatment Diemer	8,406,413		45.6%		54.4%		100.0%
	Treatment Mills	0		63.8%		36.2%		100.0%
	Treatment Skinner	0		55.2%		44.8%		100.0%
	Treatment Weymouth	0		60.7%		39.3%		100.0%
	Water Quality Monitoring	953,806		100.0%				100.0%
	C & D, Eastern Unit	0		100.0%				100.0%
	C & D, Western Unit	0		100.0%				100.0%
	OSS, Maintenance Support Unit	360,403		100.0%				100.0%
	OSS, Environmental Support Unit	470,556		100.0%				100.0%
	OSS, Fleet Maintenance	545,047		100.0%				100.0%
	OSS, Power Support Unit	0		100.0%				100.0%
	OSS, A&G (Project Support Team)	104,009		100.0%				100.0%
	Subtotal: Water System Operations	11,448,049						0.0%
Chief Financial Officer								
	Office of the CFO	0						0.0%
	Subtotal: Chief Financial Officer	0		100.0%				100.0%
Corporate Resources								
	Business Services	0						0.0%
	Asset Management	33,802						0.0%
	Engineering Services	275,780						0.0%
	Human Resources	578,452						0.0%
	Information Technology	868,146						0.0%
	Office of Manager	27,430						0.0%
	Subtotal: Corporate Resources	1,783,612		100.0%				100.0%
Water Resource Management								
	Resource Planning	37,509						0.0%
	Resource Implementation	0						0.0%
	Office of Manager	11,814						0.0%
	Subtotal: Water Resource Management	49,323		100.0%				100.0%
Legal Department								
		0		100.0%				100.0%
Audit Department								
	Total Departmental O&M	0		100.0%				100.0%
		13,477,175						0.0%
GENERAL DISTRICT REQUIREMENTS								
State Water Project								
	Existing Capital Costs							
	Transmission							
	Delta-Water Charge (Supply)	0						0.0%
	Delta-Water Charge (Supply)	0						0.0%
	Future Capital Costs	0						0.0%
	Minimum OMP&R							
	Transmission							
	Delta-Water Charge (Supply)	0						0.0%
	Delta-Water Charge (Supply)	0						0.0%
	Bay Delta Category III Funding	0						0.0%
	Off-Aqueduct	0						0.0%
	Variable Power Cost	0						0.0%
	SWP Credits							
	Power							
	Transmission	0						0.0%
	Transmission	0						0.0%
	Bay-Delta (Supply)	0						0.0%
	Subtotal: SWP	0						0.0%
Colorado River Aqueduct								
	Power Cost	0						0.0%
	CRA Supply Programs							
	IID 1	0						0.0%
	Other # 1	0						0.0%
	All American and Coachella Canal Lining O&M	0						0.0%
	Other # 2	0						0.0%
	Storage Programs	0						0.0%
	Subtotal: Colorado River Aqueduct	0						0.0%
Deposit to Water Transfer Fund								
		0						0.0%
Water Management Programs								

FY2003	Basis of Classification	Functional Allocations: Diemer	Classification Percentages					% Total
			Fixed			Variable		
			Demand	Commodity	Standby	Commodity	Hydroelectric	
	Local Resources Program	0						0.0%
	Conservation Credits Program	0						0.0%
	Subtotal: WMP	0						0.0%
	Capital Financing Program							
	Rev Bond D/S & Increase in I&P Fund	2,665,420						0.0%
	G.O. Bond Debt Service	759,951						0.0%
	Non-Rev. Bond Var. Rate Debt Int. Pmts.	0						0.0%
	Debt Defeasance/Tender	314,401						0.0%
	Paygo From Annual Operating Revenues	2,026,500						0.0%
	Subtotal: Capital Program	5,766,272	55.8%	41.1%	3.1%	0.0%		100.0%
	Water Quality Exchange and Transfers	0						0.0%
	Other Operating Costs							
	Operating Equipment	580,476		100.0%				100.0%
	Other	0						0.0%
	Leases	0		100.0%				100.0%
	EDMS Start-up	0		100.0%				100.0%
	Water Standby Administration	0		100.0%				100.0%
	Association Dues	54,364		100.0%				100.0%
	Debt Administration	42,000		100.0%				100.0%
	Insurance	27,524		100.0%				100.0%
	Contingency	50,281		100.0%				100.0%
	Miscellaneous Other O&M	0		100.0%				100.0%
	P-1 Pumping Plant	0						0.0%
	Subtotal: Leases And Operating Equipment	754,645						0.0%
	Increase/(Decrease) in Required Reserves	(82,031)	16.1%	60.1%	0.9%	22.9%	0.0%	100.0%
	Total General District Requirements	6,438,886						
	REQUIREMENTS BEFORE OFFSETS:	19,916,062						
	Revenue Offsets							
	Property Tax Revenues	759,951	82.7%	0.0%	17.3%	0.0%	0.0%	100.0%
	Interest	708,041	55.8%	41.1%	3.1%	0.0%		100.0%
	Hydro-Power Revenues	0						0.0%
	Other Revenues	0						0.0%
	<i>Water Quality Division Revenue Generation</i>	0						0.0%
	<i>All Other</i>	0						0.0%
	Miscellaneous Revenues	0	16.1%	60.1%	0.9%	22.9%	0.0%	100.0%
	DVL Fill Power Costs from Transfer Fund	0						0.0%
	PAYG from Prior Period Revenues	751,500	55.8%	41.1%	3.1%			100.0%
	Other	0						0.0%
	SDCWA/MWD Exchange Agreement	0						0.0%
	Wheeling	0						0.0%
	Growth Charge/Annexation Revenues	18,194	55.8%	41.1%	3.1%		0.0%	100.0%
	Subtotal: Revenue Offsets	2,237,686						0.0%
	NET REVENUE REQUIREMENTS:	\$ 17,678,375						
	Comparison check-sum (includes only visible line items)	\$ 17,678,375						
	Check-sum difference (should be zero)	\$ -						
	(if there is a check-sum error, the check-sum difference should provide a clue as to which line item is improperly hidden)							
	Number of Negative Allocations (indicates an error)		0	0	0	0	0	0

FY2003	Functional Allocations: Diemer	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS							
<i>(by Group/Section)</i>							
Office of the Chief Executive Officer							
Office of Chief Executive Officer	\$ 196,192	\$ -	\$ 196,192	\$ -	\$ -	\$ -	\$ 196,192
Board of Directors	0	0	0	0	0	0	-
Subtotal: Office of the Chief Executive	196,192	0	196,192	0	0	0	196,192
External Affairs							
Legislative Services	0	0	0	0	0	0	0
Media Services	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Customer and Community	0	0	0	0	0	0	0
Subtotal: External Affairs	0	0	0	0	0	0	0
Water Systems Operations							
Office of Manager, A & G	532,789	0	532,789	0	0	0	532,789
Office of Manager, Conveyance and Distribut	0	0	0	0	0	0	0
Office of the Manager, Treatment Section	39,653	0	39,653	0	0	0	39,653
Office of the Manager, Operations Support Se	35,373	0	35,373	0	0	0	35,373
Operations Support Services, Construction Ser	0	0	0	0	0	0	0
C&D CRA Unit	0	0	0	0	0	0	0
C&D System Operations	0	0	0	0	0	0	0
Treatment Jensen	0	0	0	0	0	0	0
Treatment Diemer	8,406,413	0	3,830,323	0	4,576,090	0	8,406,413
Treatment Mills	0	0	0	0	0	0	0
Treatment Skinner	0	0	0	0	0	0	0
Treatment Weymouth	0	0	0	0	0	0	0
Water Quality Monitoring	953,806	0	953,806	0	0	0	953,806
C & D, Eastern Unit	0	0	0	0	0	0	0
C & D, Western Unit	0	0	0	0	0	0	0
OSS, Maintenance Support Unit	360,403	0	360,403	0	0	0	360,403
OSS, Environmental Support Unit	470,556	0	470,556	0	0	0	470,556
OSS, Fleet Maintenance	545,047	0	545,047	0	0	0	545,047
OSS, Power Support Unit	0	0	0	0	0	0	0
OSS, A&G (Project Support Team)	104,009	0	104,009	0	0	0	104,009
Subtotal: Water System Operations	11,448,049	0	6,871,959	0	4,576,090	0	11,448,049
Chief Financial Officer							
Office of the CFO	0	0	0	0	0	0	0
Subtotal: Chief Financial Officer	0	0	0	0	0	0	0
Corporate Resources							
Business Services	0	0	0	0	0	0	0
Asset Management	33,802	0	33,802	0	0	0	33,802
Engineering Services	275,780	0	275,780	0	0	0	275,780
Human Resources	578,452	0	578,452	0	0	0	578,452
Information Technology	868,146	0	868,146	0	0	0	868,146
Office of Manager	27,430	0	27,430	0	0	0	27,430
Subtotal: Corporate Resources	1,783,612	0	1,783,612	0	0	0	1,783,612
Water Resource Management							
Resource Planning	37,509	0	37,509	0	0	0	37,509
Resource Implementation	0	0	0	0	0	0	0
Office of Manager	11,814	0	11,814	0	0	0	11,814
Subtotal: Water Resource Management	49,323	0	49,323	0	0	0	49,323
Legal Department							
	0	0	0	0	0	0	0
Audit Department							
	0	0	0	0	0	0	0
Total Departmental O&M	13,477,175	0	8,901,085	0	4,576,090	0	13,477,175
GENERAL DISTRICT REQUIREMENTS							
State Water Project							
Existing Capital Costs							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Future Capital Costs	0	0	0	0	0	0	0
Minimum OMP&R							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Bay Delta Category III Funding	0	0	0	0	0	0	0
Off-Aqueduct	0	0	0	0	0	0	0
Variable Power Cost	0	0	0	0	0	0	0
SWP Credits							
Power	0	0	0	0	0	0	0
Transmission	0	0	0	0	0	0	0
Bay-Delta (Supply)	0	0	0	0	0	0	0
Subtotal: SWP	0	0	0	0	0	0	0
Colorado River Aqueduct							
Power Cost	0	0	0	0	0	0	0
CRA Supply Programs							
IID 1	0	0	0	0	0	0	0
Other # 1	0	0	0	0	0	0	0
All American and Coachella Canal Lining C	0	0	0	0	0	0	0
Other # 2	0	0	0	0	0	0	0
Storage Programs	0	0	0	0	0	0	0
Subtotal: Colorado River Aqueduct	0	0	0	0	0	0	0
Deposit to Water Transfer Fund	0	0	0	0	0	0	0
Water Management Programs							

FY2003	Functional Allocations: Diemer	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
Local Resources Program	0	0	0	0	0	0	0
Conservation Credits Program	0	0	0	0	0	0	0
Subtotal: WMP	0	0	0	0	0	0	0
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	2,665,420	1,486,669	1,096,429	82,322	0	0	2,665,420
G.O. Bond Debt Service	759,951	423,871	312,608	23,471	0	0	759,951
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0	0
Debt Defeasance/Tender	314,401	175,361	129,330	9,710	0	0	314,401
Paygo From Annual Operating Revenues	2,026,500	1,130,304	833,607	62,589	0	0	2,026,500
Subtotal: Capital Program	5,766,272	3,216,206	2,371,973	178,093	0	0	5,766,272
Water Quality Exchange and Transfers	0	0	0	0	0	0	0
Other Operating Costs							
Operating Equipment	580,476	0	580,476	0	0	0	580,476
Other	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0
EDMS Start-up	0	0	0	0	0	0	0
Water Standby Administration	0	0	0	0	0	0	0
Association Dues	54,364	0	54,364	0	0	0	54,364
Debt Administration	42,000	0	42,000	0	0	0	42,000
Insurance	27,524	0	27,524	0	0	0	27,524
Contingency	50,281	0	50,281	0	0	0	50,281
Miscellaneous Other O&M	0	0	0	0	0	0	0
P-1 Pumping Plant	0	0	0	0	0	0	0
Subtotal: Leases And Operating Equipment	754,645	0	754,645	0	0	0	754,645
Increase/(Decrease) in Required Reserves	(82,031)	(13,193)	(49,337)	(731)	(18,771)	0	(82,031)
Total General District Requirements	6,438,886	3,203,013	3,077,281	177,363	(18,771)	0	6,438,886
REQUIREMENTS BEFORE OFFSETS:	19,916,062	3,203,013	11,978,367	177,363	4,557,319	0	19,916,062
Revenue Offsets							
Property Tax Revenues	759,951	628,228	0	131,722	0	0	759,951
Interest	708,041	394,918	291,255	21,868	0	0	708,041
Hydro-Power Revenues	0	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0	0
<i>Water Quality Division Revenue Generation</i>	0	0	0	0	0	0	0
<i>All Other</i>	0	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	0	0	0	0
DVL Fill Power Costs from Transfer Fund	0	0	0	0	0	0	0
PAYG from Prior Period Revenues	751,500	419,158	309,132	23,210	0	0	751,500
Other	0	0	0	0	0	0	0
SDCWA/MWD Exchange Agreement	0	0	0	0	0	0	0
Wheeling	0	0	0	0	0	0	0
Growth Charge/Annexation Revenues	18,194	10,148	7,484	562	0	0	18,194
Subtotal: Revenue Offsets	2,237,686	1,452,453	607,871	177,363	0	0	2,237,686
NET REVENUE REQUIREMENTS:	\$ 17,678,375	\$ 1,750,560	\$ 11,370,496	\$ -	\$ 4,557,319	\$ -	\$ 17,678,375

FY2003	Basis of Classification	Functional Allocations: Mills	Classification Percentages					% Total
			Fixed			Variable		
			Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS								
<i>(by Group/Section)</i>								
Office of the Chief Executive Officer								
	Office of Chief Executive Officer	\$ 157,383					0.0%	
	Board of Directors	0					0.0%	
	Subtotal: Office of the Chief Executive Officer	157,383	100.0%				100.0%	
External Affairs								
	Legislative Services	0					0.0%	
	Media Services	0					0.0%	
	Office of Manager	0					0.0%	
	Customer and Community	0					0.0%	
	Subtotal: External Affairs	0	100.0%				100.0%	
Water Systems Operations								
	Office of Manager, A & G	300,289	100.0%				100.0%	
	Office of Manager, Conveyance and Distribution (C&A)	0	100.0%				100.0%	
	Office of the Manager, Treatment Section	20,387	100.0%				100.0%	
	Office of the Manager, Operations Support Services	19,937	100.0%				100.0%	
	Operations Support Services, Construction Services Unit	0	100.0%				100.0%	
	C&D CRA Unit	0	100.0%				100.0%	
	C&D System Operations	0	100.0%				100.0%	
	Treatment Jensen	0	73.3%		26.7%		100.0%	
	Treatment Diemer	0	45.6%		54.4%		100.0%	
	Treatment Mills	4,322,033	63.8%		36.2%		100.0%	
	Treatment Skinner	0	55.2%		44.8%		100.0%	
	Treatment Weymouth	0	60.7%		39.3%		100.0%	
	Water Quality Monitoring	953,806	100.0%				100.0%	
	C & D, Eastern Unit	0	100.0%				100.0%	
	C & D, Western Unit	0	100.0%				100.0%	
	OSS, Maintenance Support Unit	203,064	100.0%				100.0%	
	OSS, Environmental Support Unit	265,129	100.0%				100.0%	
	OSS, Fleet Maintenance	307,099	100.0%				100.0%	
	OSS, Power Support Unit	0	100.0%				100.0%	
	OSS, A&G (Project Support Team)	58,602	100.0%				100.0%	
	Subtotal: Water System Operations	6,450,346					0.0%	
Chief Financial Officer								
	Office of the CFO	0					0.0%	
	Subtotal: Chief Financial Officer	0	100.0%				100.0%	
Corporate Resources								
	Business Services	0					0.0%	
	Asset Management	86,731					0.0%	
	Engineering Services	845,727					0.0%	
	Human Resources	435,566					0.0%	
	Information Technology	653,701					0.0%	
	Office of Manager	27,430					0.0%	
	Subtotal: Corporate Resources	2,049,155	100.0%				100.0%	
Water Resource Management								
	Resource Planning	37,509					0.0%	
	Resource Implementation	0					0.0%	
	Office of Manager	11,814					0.0%	
	Subtotal: Water Resource Management	49,323	100.0%				100.0%	
Legal Department								
		0	100.0%				100.0%	
Audit Department								
	Total Departmental O&M	8,706,206					0.0%	
GENERAL DISTRICT REQUIREMENTS								
State Water Project								
	Existing Capital Costs							
	Transmission	0					0.0%	
	Delta-Water Charge (Supply)	0					0.0%	
	Future Capital Costs	0					0.0%	
	Minimum OMP&R							
	Transmission	0					0.0%	
	Delta-Water Charge (Supply)	0					0.0%	
	Bay Delta Category III Funding	0					0.0%	
	Off-Aqueduct	0					0.0%	
	Variable Power Cost	0					0.0%	
	SWP Credits							
	Power	0					0.0%	
	Transmission	0					0.0%	
	Bay-Delta (Supply)	0					0.0%	
	Subtotal: SWP	0					0.0%	
Colorado River Aqueduct								
	Power Cost	0					0.0%	
	CRA Supply Programs							
	IID 1	0					0.0%	
	Other # 1	0					0.0%	
	All American and Coachella Canal Lining O&M	0					0.0%	
	Other # 2	0					0.0%	
	Storage Programs	0					0.0%	
	Subtotal: Colorado River Aqueduct	0					0.0%	
Deposit to Water Transfer Fund								
		0					0.0%	
Water Management Programs								

FY2003	Basis of Classification	Functional Allocations: Mills	Classification Percentages					% Total
			Fixed			Variable		
			Demand	Commodity	Standby	Commodity	Hydroelectric	
	Local Resources Program	0						0.0%
	Conservation Credits Program	0						0.0%
	Subtotal: WMP	0						0.0%
	Capital Financing Program							
	Rev Bond D/S & Increase in I&P Fund	8,173,955						0.0%
	G.O. Bond Debt Service	2,330,516						0.0%
	Non-Rev. Bond Var. Rate Debt Int. Pmts.	0						0.0%
	Debt Defeasance/Tender	964,164						0.0%
	Paygo From Annual Operating Revenues	6,214,600						0.0%
	Subtotal: Capital Program	17,683,235	55.8%	41.1%	3.1%	0.0%		100.0%
	Water Quality Exchange and Transfers	0						0.0%
	Other Operating Costs							
	Operating Equipment	465,650		100.0%				100.0%
	Other	0						0.0%
	Leases	0		100.0%				100.0%
	EDMS Start-up	0		100.0%				100.0%
	Water Standby Administration	0		100.0%				100.0%
	Association Dues	43,610		100.0%				100.0%
	Debt Administration	128,800		100.0%				100.0%
	Insurance	17,780		100.0%				100.0%
	Contingency	32,482		100.0%				100.0%
	Miscellaneous Other O&M	0		100.0%				100.0%
	P-1 Pumping Plant	0						0.0%
	Subtotal: Leases And Operating Equipment	688,322						0.0%
	Increase/(Decrease) in Required Reserves	(52,992)	36.4%	55.8%	2.0%	5.8%	0.0%	100.0%
	Total General District Requirements	18,318,565						
	REQUIREMENTS BEFORE OFFSETS:	27,024,771						
	Revenue Offsets							
	Property Tax Revenues	2,330,516	81.0%	0.0%	19.0%	0.0%	0.0%	100.0%
	Interest	960,765	55.8%	41.1%	3.1%	0.0%		100.0%
	Hydro-Power Revenues	0						0.0%
	Other Revenues	0						0.0%
	<i>Water Quality Division Revenue Generation</i>	0						0.0%
	<i>All Other</i>	0						0.0%
	Miscellaneous Revenues	0	36.4%	55.8%	2.0%	5.8%	0.0%	100.0%
	DVL Fill Power Costs from Transfer Fund	0						0.0%
	PAYG from Prior Period Revenues	2,304,600	55.8%	41.1%	3.1%			100.0%
	Other	0						0.0%
	SDCWA/MWD Exchange Agreement	0						0.0%
	Wheeling	0						0.0%
	Growth Charge/Annexation Revenues	55,796	55.8%	41.1%	3.1%		0.0%	100.0%
	Subtotal: Revenue Offsets	5,651,676						0.0%
	NET REVENUE REQUIREMENTS:	\$ 21,373,095						
	Comparison check-sum (includes only visible line items)	\$ 21,373,095						
	Check-sum difference (should be zero)	\$ -						
	(if there is a check-sum error, the check-sum difference should provide a clue as to which line item is improperly hidden)							
	Number of Negative Allocations (indicates an error)		0	0	0	0	0	

FY2003	Functional Allocations: Mills	Classification Categories					Total	
		Fixed			Variable Commodity	Customer		Hydroelectric
		Demand	Commodity	Standby				
DEPARTMENTAL BUDGETS								
<i>(by Group/Section)</i>								
Office of the Chief Executive Officer								
	\$ 157,383	\$ -	\$ 157,383	\$ -	\$ -	\$ -	\$ 157,383	
Office of Chief Executive Officer		0	0	0	0	0	-	
Board of Directors	0	0	0	0	0	0	0	
Subtotal: Office of the Chief Executive	157,383	0	157,383	0	0	0	157,383	
External Affairs								
Legislative Services	0	0	0	0	0	0	0	
Media Services	0	0	0	0	0	0	0	
Office of Manager	0	0	0	0	0	0	0	
Customer and Community	0	0	0	0	0	0	0	
Subtotal: External Affairs	0	0	0	0	0	0	0	
Water Systems Operations								
Office of Manager, A & G	300,289	0	300,289	0	0	0	300,289	
Office of Manager, Conveyance and Distribut	0	0	0	0	0	0	0	
Office of the Manager, Treatment Section	20,387	0	20,387	0	0	0	20,387	
Office of the Manager, Operations Support Se	19,937	0	19,937	0	0	0	19,937	
Operations Support Services,Construction Ser	0	0	0	0	0	0	0	
C&D CRA Unit	0	0	0	0	0	0	0	
C&D System Operations	0	0	0	0	0	0	0	
Treatment Jensen	0	0	0	0	0	0	0	
Treatment Diemer	0	0	0	0	0	0	0	
Treatment Mills	4,322,033	0	2,756,497	0	1,565,536	0	4,322,033	
Treatment Skinner	0	0	0	0	0	0	0	
Treatment Weymouth	0	0	0	0	0	0	0	
Water Quality Monitoring	953,806	0	953,806	0	0	0	953,806	
C & D, Eastern Unit	0	0	0	0	0	0	0	
C & D, Western Unit	0	0	0	0	0	0	0	
OSS, Maintenance Support Unit	203,064	0	203,064	0	0	0	0	
OSS, Environmental Support Unit	265,129	0	265,129	0	0	0	265,129	
OSS, Fleet Maintenance	307,099	0	307,099	0	0	0	307,099	
OSS, Power Support Unit	0	0	0	0	0	0	0	
OSS, A&G (Project Support Team)	58,602	0	58,602	0	0	0	58,602	
Subtotal: Water System Operations	6,450,346	0	4,884,810	0	1,565,536	0	6,450,346	
Chief Financial Officer								
Office of the CFO	0	0	0	0	0	0	0	
Subtotal: Chief Financial Officer	0	0	0	0	0	0	0	
Corporate Resources								
Business Services	0	0	0	0	0	0	0	
Asset Management	86,731	0	86,731	0	0	0	86,731	
Engineering Services	845,727	0	845,727	0	0	0	845,727	
Human Resources	435,566	0	435,566	0	0	0	435,566	
Information Technology	653,701	0	653,701	0	0	0	653,701	
Office of Manager	27,430	0	27,430	0	0	0	27,430	
Subtotal: Corporate Resources	2,049,155	0	2,049,155	0	0	0	2,049,155	
Water Resource Management								
Resource Planning	37,509	0	37,509	0	0	0	37,509	
Resource Implementation	0	0	0	0	0	0	0	
Office of Manager	11,814	0	11,814	0	0	0	11,814	
Subtotal: Water Resource Management	49,323	0	49,323	0	0	0	49,323	
Legal Department								
	0	0	0	0	0	0	0	
Audit Department								
	0	0	0	0	0	0	0	
Total Departmental O&M	8,706,206	0	7,140,670	0	1,565,536	0	8,706,206	
GENERAL DISTRICT REQUIREMENTS								
State Water Project								
Existing Capital Costs								
Transmission	0	0	0	0	0	0	0	
Delta-Water Charge (Supply)	0	0	0	0	0	0	0	
Future Capital Costs	0	0	0	0	0	0	0	
Minimum OMP&R								
Transmission	0	0	0	0	0	0	0	
Delta-Water Charge (Supply)	0	0	0	0	0	0	0	
Bay Delta Category III Funding	0	0	0	0	0	0	0	
Off-Aqueduct	0	0	0	0	0	0	0	
Variable Power Cost	0	0	0	0	0	0	0	
SWP Credits								
Power	0	0	0	0	0	0	0	
Transmission	0	0	0	0	0	0	0	
Bay-Delta (Supply)	0	0	0	0	0	0	0	
Subtotal: SWP	0	0	0	0	0	0	0	
Colorado River Aqueduct								
Power Cost	0	0	0	0	0	0	0	
CRA Supply Programs								
IID 1	0	0	0	0	0	0	0	
Other # 1	0	0	0	0	0	0	0	
All American and Coachella Canal Lining C	0	0	0	0	0	0	0	
Other # 2	0	0	0	0	0	0	0	
Storage Programs	0	0	0	0	0	0	0	
Subtotal: Colorado River Aqueduct	0	0	0	0	0	0	0	
Deposit to Water Transfer Fund								
	0	0	0	0	0	0	0	
Water Management Programs								

FY2003	Functional Allocations: Mills	Classification Categories						Total
		Fixed			Variable	Customer	Hydroelectric	
		Demand	Commodity	Standby	Commodity			
Local Resources Program	0	0	0	0	0	0	0	0
Conservation Credits Program	0	0	0	0	0	0	0	0
Subtotal: WMP	0	0	0	0	0	0	0	0
Capital Financing Program								
Rev Bond D/S & Increase in I&P Fund	8,173,955	4,559,119	3,362,381	252,455	0	0	0	8,173,955
G.O. Bond Debt Service	2,330,516	1,299,872	958,665	71,979	0	0	0	2,330,516
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0	0	0
Debt Defeasance/Tender	964,164	537,774	396,612	29,779	0	0	0	964,164
Paygo From Annual Operating Revenues	6,214,600	3,466,266	2,556,394	191,940	0	0	0	6,214,600
Subtotal: Capital Program	17,683,235	9,863,031	7,274,051	546,152	0	0	0	17,683,235
Water Quality Exchange and Transfers	0	0	0	0	0	0	0	0
Other Operating Costs								
Operating Equipment	465,650	0	465,650	0	0	0	0	465,650
Other	0	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0	0
EDMS Start-up	0	0	0	0	0	0	0	0
Water Standby Administration	0	0	0	0	0	0	0	0
Association Dues	43,610	0	43,610	0	0	0	0	43,610
Debt Administration	128,800	0	128,800	0	0	0	0	128,800
Insurance	17,780	0	17,780	0	0	0	0	17,780
Contingency	32,482	0	32,482	0	0	0	0	32,482
Miscellaneous Other O&M	0	0	0	0	0	0	0	0
P-1 Pumping Plant	0	0	0	0	0	0	0	0
Subtotal: Leases And Operating Equipment	688,322	0	688,322	0	0	0	0	688,322
Increase/(Decrease) in Required Reserves	(52,992)	(19,302)	(29,557)	(1,069)	(3,064)	0	0	(52,992)
Total General District Requirements	18,318,565	9,843,729	7,932,816	545,084	(3,064)	0	0	18,318,565
REQUIREMENTS BEFORE OFFSETS:	27,024,771	9,843,729	15,073,486	545,084	1,562,472	0	0	27,024,771
Revenue Offsets								
Property Tax Revenues	2,330,516	1,888,007	0	442,509	0	0	0	2,330,516
Interest	960,765	535,878	395,213	29,674	0	0	0	960,765
Hydro-Power Revenues	0	0	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0	0	0
Water Quality Division Revenue Generation	0	0	0	0	0	0	0	0
All Other	0	0	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	0	0	0	0	0
DVL Fill Power Costs from Transfer Fund	0	0	0	0	0	0	0	0
PAYG from Prior Period Revenues	2,304,600	1,285,418	948,004	71,178	0	0	0	2,304,600
Other	0	0	0	0	0	0	0	0
SDCWA/MWD Exchange Agreement	0	0	0	0	0	0	0	0
Wheeling	0	0	0	0	0	0	0	0
Growth Charge/Annexation Revenues	55,796	31,121	22,952	1,723	0	0	0	55,796
Subtotal: Revenue Offsets	5,651,676	3,740,423	1,366,169	545,084	0	0	0	5,651,676
NET REVENUE REQUIREMENTS:	\$ 21,373,095	\$ 6,103,306	\$ 13,707,317	\$ -	\$ 1,562,472	\$ -	\$ -	\$ 21,373,095

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Basis of Classification	Functional Allocations: Skinner	Classification Percentages					% Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
Local Resources Program	0						0.0%
Conservation Credits Program	0						0.0%
Subtotal: WMP	0						0.0%
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	6,272,622						0.0%
G.O. Bond Debt Service	1,788,418						0.0%
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0						0.0%
Debt Defeasance/Tender	739,891						0.0%
Paygo From Annual Operating Revenues	4,769,030						0.0%
Subtotal: Capital Program	13,569,961	55.8%	41.1%	3.1%	0.0%		100.0%
Water Quality Exchange and Transfers	0						0.0%
Other Operating Costs							
Operating Equipment	623,938		100.0%				100.0%
Other	0						0.0%
Leases	0		100.0%				100.0%
EDMS Start-up	0		100.0%				100.0%
Water Standby Administration	0		100.0%				100.0%
Association Dues	58,434		100.0%				100.0%
Debt Administration	98,840		100.0%				100.0%
Insurance	26,191		100.0%				100.0%
Contingency	47,848		100.0%				100.0%
Miscellaneous Other O&M	0		100.0%				100.0%
P-1 Pumping Plant	0						0.0%
Subtotal: Leases And Operating Equipment	855,252						0.0%
Increase/(Decrease) in Required Reserves	(78,060)	27.8%	58.3%	1.5%	12.3%	0.0%	100.0%
Total General District Requirements	14,347,152						
REQUIREMENTS BEFORE OFFSETS:	27,172,017						
Revenue Offsets							
Property Tax Revenues	1,788,418	81.4%	0.0%	18.6%	0.0%	0.0%	100.0%
Interest	965,999	55.8%	41.1%	3.1%	0.0%		100.0%
Hydro-Power Revenues	0						0.0%
Other Revenues	0						0.0%
<i>Water Quality Division Revenue Generation</i>	0						0.0%
<i>All Other</i>	0						0.0%
Miscellaneous Revenues	0	27.8%	58.3%	1.5%	12.3%	0.0%	100.0%
DVL Fill Power Costs from Transfer Fund	0						0.0%
PAYG from Prior Period Revenues	1,768,530	55.8%	41.1%	3.1%			100.0%
Other	0						0.0%
SDCWA/MWD Exchange Agreement	0						0.0%
Wheeling	0						0.0%
Growth Charge/Annexation Revenues	42,817	55.8%	41.1%	3.1%		0.0%	100.0%
Subtotal: Revenue Offsets	4,565,764						0.0%
NET REVENUE REQUIREMENTS:	\$ 22,606,253						
Comparison check-sum (includes only visible line items)	\$ 22,606,253						
Check-sum difference (should be zero)	\$ -						
(if there is a check-sum error, the check-sum difference should provide a clue as to which line item is improperly hidden)							
Number of Negative Allocations (indicates an error)		0	0	0	0	0	

FY2003	Functional Allocations: Skinner	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS							
<i>(by Group/Section)</i>							
Office of the Chief Executive Officer							
Office of Chief Executive Officer	\$ 210,882	\$ -	\$ 210,882	\$ -	\$ -	\$ -	\$ 210,882
Board of Directors	0	0	0	0	0	0	-
Subtotal: Office of the Chief Executive	210,882	0	210,882	0	0	0	210,882
External Affairs							
Legislative Services	0	0	0	0	0	0	0
Media Services	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Customer and Community	0	0	0	0	0	0	0
Subtotal: External Affairs	0	0	0	0	0	0	0
Water Systems Operations							
Office of Manager, A & G	481,756	0	481,756	0	0	0	481,756
Office of Manager, Conveyance and Distribut	0	0	0	0	0	0	0
Office of the Manager, Treatment Section	35,424	0	35,424	0	0	0	35,424
Office of the Manager, Operations Support Se	31,984	0	31,984	0	0	0	31,984
Operations Support Services,Construction Ser	0	0	0	0	0	0	0
C&D CRA Unit	0	0	0	0	0	0	0
C&D System Operations	0	0	0	0	0	0	0
Treatment Jensen	0	0	0	0	0	0	0
Treatment Diemer	0	0	0	0	0	0	0
Treatment Mills	0	0	0	0	0	0	0
Treatment Skinner	7,509,905	0	4,147,388	0	3,362,517	0	7,509,905
Treatment Weymouth	0	0	0	0	0	0	0
Water Quality Monitoring	953,806	0	953,806	0	0	0	953,806
C & D, Eastern Unit	0	0	0	0	0	0	0
C & D, Western Unit	0	0	0	0	0	0	0
OSS, Maintenance Support Unit	325,868	0	325,868	0	0	0	325,868
OSS, Environmental Support Unit	425,466	0	425,466	0	0	0	425,466
OSS, Fleet Maintenance	492,818	0	492,818	0	0	0	492,818
OSS, Power Support Unit	0	0	0	0	0	0	0
OSS, A&G (Project Support Team)	94,042	0	94,042	0	0	0	94,042
Subtotal: Water System Operations	10,351,070	0	6,988,552	0	3,362,517	0	10,351,070
Chief Financial Officer							
Office of the CFO	0	0	0	0	0	0	0
Subtotal: Chief Financial Officer	0	0	0	0	0	0	0
Corporate Resources							
Business Services	0	0	0	0	0	0	0
Asset Management	73,705	0	73,705	0	0	0	73,705
Engineering Services	649,003	0	649,003	0	0	0	649,003
Human Resources	585,192	0	585,192	0	0	0	585,192
Information Technology	878,261	0	878,261	0	0	0	878,261
Office of Manager	27,430	0	27,430	0	0	0	27,430
Subtotal: Corporate Resources	2,213,591	0	2,213,591	0	0	0	2,213,591
Water Resource Management							
Resource Planning	37,509	0	37,509	0	0	0	37,509
Resource Implementation	0	0	0	0	0	0	0
Office of Manager	11,814	0	11,814	0	0	0	11,814
Subtotal: Water Resource Management	49,323	0	49,323	0	0	0	49,323
Legal Department							
	0	0	0	0	0	0	0
Audit Department							
	0	0	0	0	0	0	0
Total Departmental O&M	12,824,865	0	9,462,348	0	3,362,517	0	12,824,865
GENERAL DISTRICT REQUIREMENTS							
State Water Project							
Existing Capital Costs							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Future Capital Costs	0	0	0	0	0	0	0
Minimum OMP&R							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Bay Delta Category III Funding	0	0	0	0	0	0	0
Off-Aqueduct	0	0	0	0	0	0	0
Variable Power Cost	0	0	0	0	0	0	0
SWP Credits							
Power	0	0	0	0	0	0	0
Transmission	0	0	0	0	0	0	0
Bay-Delta (Supply)	0	0	0	0	0	0	0
Subtotal: SWP	0	0	0	0	0	0	0
Colorado River Aqueduct							
Power Cost	0	0	0	0	0	0	0
CRA Supply Programs							
IID 1	0	0	0	0	0	0	0
Other # 1	0	0	0	0	0	0	0
All American and Coachella Canal Lining C	0	0	0	0	0	0	0
Other # 2	0	0	0	0	0	0	0
Storage Programs	0	0	0	0	0	0	0
Subtotal: Colorado River Aqueduct	0	0	0	0	0	0	0
Deposit to Water Transfer Fund							
	0	0	0	0	0	0	0
Water Management Programs							

FY2003	Functional Allocations: Skinner	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
Local Resources Program	0	0	0	0	0	0	0
Conservation Credits Program	0	0	0	0	0	0	0
Subtotal: WMP	0	0	0	0	0	0	0
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	6,272,622	3,498,629	2,580,262	193,732	0	0	6,272,622
G.O. Bond Debt Service	1,788,418	997,511	735,671	55,236	0	0	1,788,418
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0	0
Debt Defeasance/Tender	739,891	412,683	304,356	22,852	0	0	739,891
Paygo From Annual Operating Revenues	4,769,030	2,659,982	1,961,755	147,293	0	0	4,769,030
Subtotal: Capital Program	13,569,961	7,568,804	5,582,043	419,113	0	0	13,569,961
Water Quality Exchange and Transfers	0	0	0	0	0	0	0
Other Operating Costs							
Operating Equipment	623,938	0	623,938	0	0	0	623,938
Other	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0
EDMS Start-up	0	0	0	0	0	0	0
Water Standby Administration	0	0	0	0	0	0	0
Association Dues	58,434	0	58,434	0	0	0	58,434
Debt Administration	98,840	0	98,840	0	0	0	98,840
Insurance	26,191	0	26,191	0	0	0	26,191
Contingency	47,848	0	47,848	0	0	0	47,848
Miscellaneous Other O&M	0	0	0	0	0	0	0
P-1 Pumping Plant	0	0	0	0	0	0	0
Subtotal: Leases And Operating Equipment	855,252	0	855,252	0	0	0	855,252
Increase/(Decrease) in Required Reserves	(78,060)	(21,682)	(45,546)	(1,201)	(9,632)	0	(78,060)
Total General District Requirements	14,347,152	7,547,123	6,391,749	417,912	(9,632)	0	14,347,152
REQUIREMENTS BEFORE OFFSETS:	27,172,017	7,547,123	15,854,097	417,912	3,352,885	0	27,172,017
Revenue Offsets							
Property Tax Revenues	1,788,418	1,456,285	0	332,133	0	0	1,788,418
Interest	965,999	538,798	397,367	29,835	0	0	965,999
Hydro-Power Revenues	0	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0	0
Water Quality Division Revenue Generation	0	0	0	0	0	0	0
All Other	0	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	0	0	0	0
DVL Fill Power Costs from Transfer Fund	0	0	0	0	0	0	0
PAYG from Prior Period Revenues	1,768,530	986,418	727,490	54,622	0	0	1,768,530
Other	0	0	0	0	0	0	0
SDCWA/MWD Exchange Agreement	0	0	0	0	0	0	0
Wheeling	0	0	0	0	0	0	0
Growth Charge/Annexation Revenues	42,817	23,882	17,613	1,322	0	0	42,817
Subtotal: Revenue Offsets	4,565,764	3,005,382	1,142,470	417,912	0	0	4,565,764
NET REVENUE REQUIREMENTS:	\$ 22,606,253	\$ 4,541,740	\$ 14,711,627	\$ -	\$ 3,352,885	\$ -	\$ 22,606,253

FY2003	Basis of Classification	Functional Allocations: Distribution	Classification Percentages					% Total
			Fixed			Variable		
			Demand	Commodity	Standby	Commodity	Other	
DEPARTMENTAL BUDGETS								
<i>(by Group/Section)</i>								
Office of the Chief Executive Officer								
	Office of Chief Executive Officer	\$ 748,520						0.0%
	Board of Directors	0						0.0%
	Subtotal: Office of the Chief Executive Officer	748,520	100.0%					100.0%
External Affairs								
	Legislative Services	0						0.0%
	Media Services	0						0.0%
	Office of Manager	0						0.0%
	Customer and Community	0						0.0%
	Subtotal: External Affairs	0	100.0%					100.0%
Water Systems Operations								
	Office of Manager, A & G	1,389,813	100.0%					100.0%
	Office of Manager, Conveyance and Distribution (C&A)	79,631	100.0%					100.0%
	Office of the Manager, Treatment Section	0	100.0%					100.0%
	Office of the Manager, Operations Support Services	92,271	100.0%					100.0%
	Operations Support Services, Construction Services Unit	4,146,076	100.0%					100.0%
	C&D CRA Unit	0	100.0%					100.0%
	C&D System Operations	2,719,374	100.0%					100.0%
	Treatment Jensen	0	73.3%			26.7%		100.0%
	Treatment Diemer	0	45.6%			54.4%		100.0%
	Treatment Mills	0	63.8%			36.2%		100.0%
	Treatment Skinner	0	55.2%			44.8%		100.0%
	Treatment Weymouth	0	60.7%			39.3%		100.0%
	Water Quality Monitoring	3,651,885	100.0%					100.0%
	C & D, Eastern Unit	7,938,989	100.0%					100.0%
	C & D, Western Unit	5,963,615	100.0%					100.0%
	OSS, Maintenance Support Unit	939,348	100.0%					100.0%
	OSS, Environmental Support Unit	1,226,449	100.0%					100.0%
	OSS, Fleet Maintenance	1,420,600	100.0%					100.0%
	OSS, Power Support Unit	0	100.0%					100.0%
	OSS, A&G (Project Support Team)	271,087	100.0%					100.0%
	Subtotal: Water System Operations	29,839,140						0.0%
Chief Financial Officer								
	Office of the CFO	0						0.0%
	Subtotal: Chief Financial Officer	0	100.0%					100.0%
Corporate Resources								
	Business Services	0						0.0%
	Asset Management	335,575						0.0%
	Engineering Services	4,446,334						0.0%
	Human Resources	2,150,752						0.0%
	Information Technology	3,227,868						0.0%
	Office of Manager	0						0.0%
	Subtotal: Corporate Resources	10,160,528	100.0%					100.0%
Water Resource Management								
	Resource Planning	359,528						0.0%
	Resource Implementation	0						0.0%
	Office of Manager	368,760						0.0%
	Subtotal: Water Resource Management	728,289	100.0%					100.0%
Legal Department								
		0	100.0%					100.0%
Audit Department								
	Total Departmental O&M	41,476,476						0.0%
GENERAL DISTRICT REQUIREMENTS								
State Water Project								
	Existing Capital Costs							
	Transmission							
	Delta-Water Charge (Supply)	0						0.0%
	Delta-Water Charge (Supply)	0						0.0%
	Future Capital Costs	0						0.0%
	Minimum OMP&R							
	Transmission							
	Delta-Water Charge (Supply)	0						0.0%
	Delta-Water Charge (Supply)	0						0.0%
	Bay Delta Category III Funding	0						0.0%
	Off-Aqueduct	0						0.0%
	Variable Power Cost	0						0.0%
	SWP Credits							
	Power							
	Transmission	0						0.0%
	Transmission	0						0.0%
	Bay-Delta (Supply)	0						0.0%
	Subtotal: SWP	0						0.0%
Colorado River Aqueduct								
	Power Cost	0						0.0%
	CRA Supply Programs							
	IID 1	0						0.0%
	Other # 1	0						0.0%
	All American and Coachella Canal Lining O&M	0						0.0%
	Other # 2	0						0.0%
	Storage Programs	0						0.0%
	Subtotal: Colorado River Aqueduct	0						0.0%
Deposit to Water Transfer Fund								
		0						0.0%
Water Management Programs								

FY2003	Basis of Classification	Functional Allocations: Distribution	Classification Percentages					% Total
			Fixed			Variable		
			Demand	Commodity	Standby	Commodity	Other	
	Local Resources Program	0						0.0%
	Conservation Credits Program	0						0.0%
	Subtotal: WMP	0	100.0%					100.0%
	Capital Financing Program							
	Rev Bond D/S & Increase in I&P Fund	42,973,845						0.0%
	G.O. Bond Debt Service	42,476,183						0.0%
	Non-Rev. Bond Var. Rate Debt Int. Pmts.	0						0.0%
	Debt Defeasance/Tender	5,069,004						0.0%
	Paygo From Annual Operating Revenues	32,672,708						0.0%
	Subtotal: Capital Program	123,191,740	54.6%	45.4%	0.0%	0.0%		100.0%
	Water Quality Exchange and Transfers	0						0.0%
	Other Operating Costs							
	Operating Equipment	2,214,656		100.0%				100.0%
	Other	0						0.0%
	Leases	0		100.0%				100.0%
	EDMS Start-up	0		100.0%				100.0%
	Water Standby Administration	0		100.0%				100.0%
	Association Dues	207,411		100.0%				100.0%
	Debt Administration	677,155		100.0%				100.0%
	Insurance	84,705		100.0%				100.0%
	Contingency	154,743		100.0%				100.0%
	Miscellaneous Other O&M	0		100.0%				100.0%
	P-1 Pumping Plant	0						0.0%
	Subtotal: Leases And Operating Equipment	3,338,668						0.0%
	Increase/(Decrease) in Required Reserves	(252,453)	40.0%	60.0%	0.0%	0.0%	0.0%	100.0%
	Total General District Requirements	126,277,956						
	REQUIREMENTS BEFORE OFFSETS:	167,754,432						
	Revenue Offsets							
	Property Tax Revenues	42,476,183	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
	Interest	5,963,882	0.0%	100.0%		0.0%		100.0%
	Hydro-Power Revenues	0						0.0%
	Other Revenues	0						0.0%
	<i>Water Quality Division Revenue Generation</i>	0						0.0%
	<i>All Other</i>	0						0.0%
	Miscellaneous Revenues	0	40.0%	60.0%	0.0%	0.0%	0.0%	100.0%
	DVL Fill Power Costs from Transfer Fund	0						0.0%
	PAYG from Prior Period Revenues	12,116,230	54.6%	45.4%	0.0%			100.0%
	Other	0						0.0%
	SDCWA/MWD Exchange Agreement	0	54.6%	45.4%	0.0%			100.0%
	Wheeling	0	54.6%	45.4%	0.0%			100.0%
	Growth Charge/Annexation Revenues	388,706	54.6%	45.4%	0.0%		0.0%	100.0%
	Subtotal: Revenue Offsets	60,945,001						0.0%
	NET REVENUE REQUIREMENTS:	\$ 106,809,431						
	Comparison check-sum (includes only visible line items)	\$ 106,809,431						
	Check-sum difference (should be zero)	\$ -						
	(if there is a check-sum error, the check-sum difference should provide a clue as to which line item is improperly hidden)							
	Number of Negative Allocations (indicates an error)		0	0	0	0	0	0

FY2003	Classification Categories						Total
	Functional Allocations: Distribution	Fixed			Variable	Hydroelectric	
		Demand	Commodity	Standby	Commodity		
DEPARTMENTAL BUDGETS							
<i>(by Group/Section)</i>							
Office of the Chief Executive Officer							
Office of Chief Executive Officer	\$ 748,520	\$ -	\$ 748,520	\$ -	\$ -	\$ -	\$ 748,520
Board of Directors	0	0	0	0	0	0	-
Subtotal: Office of the Chief Executive	748,520	0	748,520	0	0	0	748,520
External Affairs							
Legislative Services	0	0	0	0	0	0	0
Media Services	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Customer and Community	0	0	0	0	0	0	0
Subtotal: External Affairs	0	0	0	0	0	0	0
Water Systems Operations							
Office of Manager, A & G	1,389,813	0	1,389,813	0	0	0	1,389,813
Office of Manager, Conveyance and Distribut	79,631	0	79,631	0	0	0	79,631
Office of the Manager, Treatment Section	0	0	0	0	0	0	0
Office of the Manager, Operations Support Se	92,271	0	92,271	0	0	0	92,271
Operations Support Services, Construction Ser	4,146,076	0	4,146,076	0	0	0	4,146,076
C&D CRA Unit	0	0	0	0	0	0	0
C&D System Operations	2,719,374	0	2,719,374	0	0	0	2,719,374
Treatment Jensen	0	0	0	0	0	0	0
Treatment Diemer	0	0	0	0	0	0	0
Treatment Mills	0	0	0	0	0	0	0
Treatment Skinner	0	0	0	0	0	0	0
Treatment Weymouth	0	0	0	0	0	0	0
Water Quality Monitoring	3,651,885	0	3,651,885	0	0	0	3,651,885
C & D, Eastern Unit	7,938,989	0	7,938,989	0	0	0	7,938,989
C & D, Western Unit	5,963,615	0	5,963,615	0	0	0	5,963,615
OSS, Maintenance Support Unit	939,348	0	939,348	0	0	0	939,348
OSS, Environmental Support Unit	1,226,449	0	1,226,449	0	0	0	1,226,449
OSS, Fleet Maintenance	1,420,600	0	1,420,600	0	0	0	1,420,600
OSS, Power Support Unit	0	0	0	0	0	0	0
OSS, A&G (Project Support Team)	271,087	0	271,087	0	0	0	271,087
Subtotal: Water System Operations	29,839,140	0	29,839,140	0	0	0	29,839,140
Chief Financial Officer							
Office of the CFO	0	0	0	0	0	0	0
Subtotal: Chief Financial Officer	0	0	0	0	0	0	0
Corporate Resources							
Business Services	0	0	0	0	0	0	0
Asset Management	335,575	0	335,575	0	0	0	335,575
Engineering Services	4,446,334	0	4,446,334	0	0	0	4,446,334
Human Resources	2,150,752	0	2,150,752	0	0	0	2,150,752
Information Technology	3,227,868	0	3,227,868	0	0	0	3,227,868
Office of Manager	0	0	0	0	0	0	0
Subtotal: Corporate Resources	10,160,528	0	10,160,528	0	0	0	10,160,528
Water Resource Management							
Resource Planning	359,528	0	359,528	0	0	0	359,528
Resource Implementation	0	0	0	0	0	0	0
Office of Manager	368,760	0	368,760	0	0	0	368,760
Subtotal: Water Resource Management	728,289	0	728,289	0	0	0	728,289
Legal Department							
	0	0	0	0	0	0	0
Audit Department							
	0	0	0	0	0	0	0
Total Departmental O&M	41,476,476	0	41,476,476	0	0	0	41,476,476
GENERAL DISTRICT REQUIREMENTS							
State Water Project							
Existing Capital Costs							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Future Capital Costs	0	0	0	0	0	0	0
Minimum OMP&R							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Bay Delta Category III Funding	0	0	0	0	0	0	0
Off-Aqueduct	0	0	0	0	0	0	0
Variable Power Cost	0	0	0	0	0	0	0
SWP Credits							
Power	0	0	0	0	0	0	0
Transmission	0	0	0	0	0	0	0
Bay-Delta (Supply)	0	0	0	0	0	0	0
Subtotal: SWP	0	0	0	0	0	0	0
Colorado River Aqueduct							
Power Cost	0	0	0	0	0	0	0
CRA Supply Programs							
IID 1	0	0	0	0	0	0	0
Other # 1	0	0	0	0	0	0	0
All American and Coachella Canal Lining C	0	0	0	0	0	0	0
Other # 2	0	0	0	0	0	0	0
Storage Programs	0	0	0	0	0	0	0
Subtotal: Colorado River Aqueduct	0	0	0	0	0	0	0
Deposit to Water Transfer Fund							
	0	0	0	0	0	0	0
Water Management Programs							

FY2003	Functional Allocations: Distribution	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
Local Resources Program	0	0	0	0	0	0	0
Conservation Credits Program	0	0	0	0	0	0	0
Subtotal: WMP	0	0	0	0	0	0	0
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	42,973,845	23,461,181	19,512,664	0	0	0	42,973,845
G.O. Bond Debt Service	42,476,183	23,189,487	19,286,696	0	0	0	42,476,183
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0	0
Debt Defeasance/Tender	5,069,004	2,767,377	2,301,627	0	0	0	5,069,004
Paygo From Annual Operating Revenues	32,672,708	17,837,368	14,835,340	0	0	0	32,672,708
Subtotal: Capital Program	123,191,740	67,255,413	55,936,328	0	0	0	123,191,740
Water Quality Exchange and Transfers	0	0	0	0	0	0	0
Other Operating Costs							
Operating Equipment	2,214,656	0	2,214,656	0	0	0	2,214,656
Other	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0
EDMS Start-up	0	0	0	0	0	0	0
Water Standby Administration	0	0	0	0	0	0	0
Association Dues	207,411	0	207,411	0	0	0	207,411
Debt Administration	677,155	0	677,155	0	0	0	677,155
Insurance	84,705	0	84,705	0	0	0	84,705
Contingency	154,743	0	154,743	0	0	0	154,743
Miscellaneous Other O&M	0	0	0	0	0	0	0
P-1 Pumping Plant	0	0	0	0	0	0	0
Subtotal: Leases And Operating Equipment	3,338,668	0	3,338,668	0	0	0	3,338,668
Increase/(Decrease) in Required Reserves	(252,453)	(101,060)	(151,392)	0	0	0	(252,453)
Total General District Requirements	126,277,956	67,154,352	59,123,603	0	0	0	126,277,956
REQUIREMENTS BEFORE OFFSETS:	167,754,432	67,154,352	100,600,080	0	0	0	167,754,432
Revenue Offsets							
Property Tax Revenues	42,476,183	42,476,183	0	0	0	0	42,476,183
Interest	5,963,882	0	5,963,882	0	0	0	5,963,882
Hydro-Power Revenues	0	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0	0
Water Quality Division Revenue Generation	0	0	0	0	0	0	0
All Other	0	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	0	0	0	0
DVL Fill Power Costs from Transfer Fund	0	0	0	0	0	0	0
PAYG from Prior Period Revenues	12,116,230	6,614,746	5,501,484	0	0	0	12,116,230
Other	0	0	0	0	0	0	0
SDCWA/MWD Exchange Agreement	0	0	0	0	0	0	0
Wheeling	0	0	0	0	0	0	0
Growth Charge/Annexation Revenues	388,706	212,211	176,496	0	0	0	388,706
Subtotal: Revenue Offsets	60,945,001	49,303,139	11,641,862	0	0	0	60,945,001
NET REVENUE REQUIREMENTS:	\$ 106,809,431	\$ 17,851,213	\$ 88,958,218	\$ -	\$ -	\$ -	\$ 106,809,431

FY2003

Basis of Classification	Functional Allocations:	Classification Percentages					% Total	
		Hydro-Electric	Fixed			Variable		
			Demand	Commodity	Standby	Commodity		Hydroelectric
Local Resources Program	0						0.0%	
Conservation Credits Program	0						0.0%	
Subtotal: WMP	0						0.0%	
Capital Financing Program								
Rev Bond D/S & Increase in I&P Fund	4,033,669						0.0%	
G.O. Bond Debt Service	0						0.0%	
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0						0.0%	
Debt Defeasance/Tender	475,794						0.0%	
Paygo From Annual Operating Revenues	3,066,770						0.0%	
Subtotal: Capital Program	7,576,233					100.0%	100.0%	
Water Quality Exchange and Transfers	0						0.0%	
Other Operating Costs								
Operating Equipment	81,813						0.0%	
Other	0						0.0%	
Leases	0						0.0%	
EDMS Start-up	0						0.0%	
Water Standby Administration	0						0.0%	
Association Dues	7,662						0.0%	
Debt Administration	63,560						0.0%	
Insurance	3,233						0.0%	
Contingency	5,907						0.0%	
Miscellaneous Other O&M	0						0.0%	
P-1 Pumping Plant	0						0.0%	
Subtotal: Leases And Operating Equipment	162,175					100.0%	100.0%	
Increase/(Decrease) in Required Reserves	(9,636)	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%	
Total General District Requirements	7,728,771							
REQUIREMENTS BEFORE OFFSETS:	9,311,977							
Revenue Offsets								
Property Tax Revenues	0						0.0%	
Interest	331,053						0.0%	
Hydro-Power Revenues	21,200,000						0.0%	
Other Revenues								
<i>Water Quality Division Revenue Generation</i>	0						0.0%	
<i>All Other</i>	0						0.0%	
Miscellaneous Revenues	0						0.0%	
DVL Fill Power Costs from Transfer Fund	0						0.0%	
PAYG from Prior Period Revenues	1,137,270					0.0%	0.0%	
Other	0						0.0%	
SDCWA/MWD Exchange Agreement	0						0.0%	
Wheeling	0						0.0%	
Growth Charge/Annexation Revenues	23,905	0.0%	0.0%	0.0%		100.0%	100.0%	
Subtotal: Revenue Offsets	22,692,228					100.0%	100.0%	
NET REVENUE REQUIREMENTS:	\$ (13,380,251)							
Comparison check-sum (includes only visible line items)	\$ (13,380,251)							
Check-sum difference (should be zero)	\$ -							
(if there is a check-sum error, the check-sum difference should provide a clue as to which line item is improperly hidden)								
Number of Negative Allocations (indicates an error)		0	0	0	0	0		

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS							
<i>(by Group/Section)</i>							
Office of the Chief Executive Officer							
Office of Chief Executive Officer	\$ 27,651	\$ -	\$ -	\$ -	\$ -	\$ 27,651	\$ 27,651
Board of Directors	0	0	0	0	0	0	-
Subtotal: Office of the Chief Executive	27,651	0	0	0	0	27,651	27,651
External Affairs							
Legislative Services	0	0	0	0	0	0	0
Media Services	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Customer and Community	0	0	0	0	0	0	0
Subtotal: External Affairs	0	0	0	0	0	0	0
Water Systems Operations							
Office of Manager, A & G	41,658	0	0	0	0	41,658	41,658
Office of Manager, Conveyance and Distribution	4,191	0	0	0	0	4,191	4,191
Office of the Manager, Treatment Section	0	0	0	0	0	0	0
Office of the Manager, Operations Support Services	2,766	0	0	0	0	2,766	2,766
Operations Support Services, Construction Services	0	0	0	0	0	0	0
C&D CRA Unit	0	0	0	0	0	0	0
C&D System Operations	0	0	0	0	0	0	0
Treatment Jensen	0	0	0	0	0	0	0
Treatment Diemer	0	0	0	0	0	0	0
Treatment Mills	0	0	0	0	0	0	0
Treatment Skinner	0	0	0	0	0	0	0
Treatment Weymouth	0	0	0	0	0	0	0
Water Quality Monitoring	0	0	0	0	0	0	0
C & D, Eastern Unit	417,842	0	0	0	0	417,842	417,842
C & D, Western Unit	313,874	0	0	0	0	313,874	313,874
OSS, Maintenance Support Unit	28,215	0	0	0	0	28,215	28,215
OSS, Environmental Support Unit	36,839	0	0	0	0	36,839	36,839
OSS, Fleet Maintenance	42,671	0	0	0	0	42,671	42,671
OSS, Power Support Unit	0	0	0	0	0	0	0
OSS, A&G (Project Support Team)	8,143	0	0	0	0	8,143	8,143
Subtotal: Water System Operations	896,199	0	0	0	0	896,199	896,199
Chief Financial Officer							
Office of the CFO	0	0	0	0	0	0	0
Subtotal: Chief Financial Officer	0	0	0	0	0	0	0
Corporate Resources							
Business Services	0	0	0	0	0	0	0
Asset Management	50,950	0	0	0	0	50,950	50,950
Engineering Services	417,348	0	0	0	0	417,348	417,348
Human Resources	76,398	0	0	0	0	76,398	76,398
Information Technology	114,659	0	0	0	0	114,659	114,659
Office of Manager	0	0	0	0	0	0	0
Subtotal: Corporate Resources	659,355	0	0	0	0	659,355	659,355
Water Resource Management							
Resource Planning	0	0	0	0	0	0	0
Resource Implementation	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Subtotal: Water Resource Management	0	0	0	0	0	0	0
Legal Department							
	0	0	0	0	0	0	0
Audit Department							
	0	0	0	0	0	0	0
Total Departmental O&M	1,583,206	0	0	0	0	1,583,206	1,583,206
GENERAL DISTRICT REQUIREMENTS							
State Water Project							
Existing Capital Costs							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Future Capital Costs	0	0	0	0	0	0	0
Minimum OMP&R							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Bay Delta Category III Funding	0	0	0	0	0	0	0
Off-Aqueduct	0	0	0	0	0	0	0
Variable Power Cost	0	0	0	0	0	0	0
SWP Credits							
Power	0	0	0	0	0	0	0
Transmission	0	0	0	0	0	0	0
Bay-Delta (Supply)	0	0	0	0	0	0	0
Subtotal: SWP	0	0	0	0	0	0	0
Colorado River Aqueduct							
Power Cost	0	0	0	0	0	0	0
CRA Supply Programs							
IID 1	0	0	0	0	0	0	0
Other # 1	0	0	0	0	0	0	0
All American and Coachella Canal Lining	0	0	0	0	0	0	0
Other # 2	0	0	0	0	0	0	0
Storage Programs	0	0	0	0	0	0	0
Subtotal: Colorado River Aqueduct	0	0	0	0	0	0	0
Deposit to Water Transfer Fund							
	0	0	0	0	0	0	0
Water Management Programs							

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
Local Resources Program	0	0	0	0	0	0	0
Conservation Credits Program	0	0	0	0	0	0	0
Subtotal: WMP	0	0	0	0	0	0	0
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	4,033,669	0	0	0	0	4,033,669	4,033,669
G.O. Bond Debt Service	0	0	0	0	0	0	0
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0	0
Debt Defeasance/Tender	475,794	0	0	0	0	475,794	475,794
Paygo From Annual Operating Revenues	3,066,770	0	0	0	0	3,066,770	3,066,770
Subtotal: Capital Program	7,576,233	0	0	0	0	7,576,233	7,576,233
Water Quality Exchange and Transfers	0	0	0	0	0	0	0
Other Operating Costs							
Operating Equipment	81,813	0	0	0	0	81,813	81,813
Other	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0
EDMS Start-up	0	0	0	0	0	0	0
Water Standby Administration	0	0	0	0	0	0	0
Association Dues	7,662	0	0	0	0	7,662	7,662
Debt Administration	63,560	0	0	0	0	63,560	63,560
Insurance	3,233	0	0	0	0	3,233	3,233
Contingency	5,907	0	0	0	0	5,907	5,907
Miscellaneous Other O&M	0	0	0	0	0	0	0
P-1 Pumping Plant	0	0	0	0	0	0	0
Subtotal: Leases And Operating Equipment	162,175	0	0	0	0	162,175	162,175
Increase/(Decrease) in Required Reserves	(9,636)	0	0	0	0	(9,636)	(9,636)
Total General District Requirements	7,728,771	0	0	0	0	7,728,771	7,728,771
REQUIREMENTS BEFORE OFFSETS:	9,311,977	0	0	0	0	9,311,977	9,311,977
Revenue Offsets							
Property Tax Revenues	0	0	0	0	0	0	0
Interest	331,053	0	0	0	0	331,053	331,053
Hydro-Power Revenues	21,200,000	0	0	0	0	21,200,000	21,200,000
Other Revenues							
<i>Water Quality Division Revenue Generation</i>	0	0	0	0	0	0	0
<i>All Other</i>	0	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	0	0	0	0
DVL Fill Power Costs from Transfer Fund	0	0	0	0	0	0	0
PAYG from Prior Period Revenues	1,137,270	0	0	0	0	1,137,270	1,137,270
Other	0	0	0	0	0	0	0
SDCWA/MWD Exchange Agreement	0	0	0	0	0	0	0
Wheeling	0	0	0	0	0	0	0
Growth Charge/Annexation Revenues	23,905	0	0	0	0	23,905	23,905
Subtotal: Revenue Offsets	22,692,228	0	0	0	0	22,692,228	22,692,228
NET REVENUE REQUIREMENTS:	\$ (13,380,251)	\$ -	\$ -	\$ -	\$ -	\$ (13,380,251)	\$ (13,380,251)

FY2003	Basis of Classification	Functional Allocations:	Classification Percentages					% Total
			Demand Management	Fixed			Variable	
				Demand	Commodity	Standby	Commodity	
DEPARTMENTAL BUDGETS								
<i>(by Group/Section)</i>								
Office of the Chief Executive Officer								
	Office of Chief Executive Officer	\$ 40,218					0.0%	
	Board of Directors	0					0.0%	
	Subtotal: Office of the Chief Executive Officer	40,218	100.0%				100.0%	
External Affairs								
	Legislative Services	0					0.0%	
	Media Services	0					0.0%	
	Office of Manager	0					0.0%	
	Customer and Community	0					0.0%	
	Subtotal: External Affairs	0	100.0%				100.0%	
Water Systems Operations								
	Office of Manager, A & G	0	100.0%				100.0%	
	Office of Manager, Conveyance and Distribution (C&A)	0	100.0%				100.0%	
	Office of the Manager, Treatment Section	0	100.0%				100.0%	
	Office of the Manager, Operations Support Services	0	100.0%				100.0%	
	Operations Support Services, Construction Services Unit	0	100.0%				100.0%	
	C&D CRA Unit	0	100.0%				100.0%	
	C&D System Operations	0	100.0%				100.0%	
	Treatment Jensen	0	100.0%				100.0%	
	Treatment Diemer	0	100.0%				100.0%	
	Treatment Mills	0	100.0%				100.0%	
	Treatment Skinner	0	100.0%				100.0%	
	Treatment Weymouth	0	100.0%				100.0%	
	Water Quality Monitoring	0	100.0%				100.0%	
	C & D, Eastern Unit	0	100.0%				100.0%	
	C & D, Western Unit	0	100.0%				100.0%	
	OSS, Maintenance Support Unit	0	100.0%				100.0%	
	OSS, Environmental Support Unit	0	100.0%				100.0%	
	OSS, Fleet Maintenance	0	100.0%				100.0%	
	OSS, Power Support Unit	0	100.0%				100.0%	
	OSS, A&G (Project Support Team)	0	100.0%				100.0%	
	Subtotal: Water System Operations	0					0.0%	
Chief Financial Officer								
	Office of the CFO	0					0.0%	
	Subtotal: Chief Financial Officer	0	100.0%				100.0%	
Corporate Resources								
	Business Services	0					0.0%	
	Asset Management	0					0.0%	
	Engineering Services	0					0.0%	
	Human Resources	102,151					0.0%	
	Information Technology	153,310					0.0%	
	Office of Manager	0					0.0%	
	Subtotal: Corporate Resources	255,461	100.0%				100.0%	
Water Resource Management								
	Resource Planning	0					0.0%	
	Resource Implementation	2,015,100					0.0%	
	Office of Manager	0					0.0%	
	Subtotal: Water Resource Management	2,015,100	100.0%				100.0%	
Legal Department								
		0	100.0%				100.0%	
Audit Department								
	Total Departmental O&M	2,310,779					0.0%	
GENERAL DISTRICT REQUIREMENTS								
State Water Project								
	Existing Capital Costs							
	Transmission							
	Delta-Water Charge (Supply)	0					0.0%	
	Future Capital Costs	0					0.0%	
	Minimum OMP&R							
	Transmission							
	Delta-Water Charge (Supply)	0					0.0%	
	Bay Delta Category III Funding	0					0.0%	
	Off-Aqueduct	0					0.0%	
	Variable Power Cost	0					0.0%	
	SWP Credits							
	Power							
	Transmission	0					0.0%	
	Bay-Delta (Supply)	0					0.0%	
	Subtotal: SWP	0					0.0%	
Colorado River Aqueduct								
	Power Cost	0					0.0%	
	CRA Supply Programs							
	IID 1	0					0.0%	
	Other # 1	0					0.0%	
	All American and Coachella Canal Lining O&M	0					0.0%	
	Other # 2	0					0.0%	
	Storage Programs	0					0.0%	
	Subtotal: Colorado River Aqueduct	0					0.0%	
Deposit to Water Transfer Fund								
		0					0.0%	
Water Management Programs								

FY2003	Basis of Classification	Functional Allocations:	Classification Percentages					% Total	
			Demand Management	Fixed			Variable		
				Demand	Commodity	Standby	Commodity		Hydroelectric
	Local Resources Program	26,773,187		100.0%				100.0%	
	Conservation Credits Program	14,343,600		100.0%				100.0%	
	Subtotal: WMP	41,116,787						0.0%	
	Capital Financing Program								
	Rev Bond D/S & Increase in I&P Fund	0						0.0%	
	G.O. Bond Debt Service	0						0.0%	
	Non-Rev. Bond Var. Rate Debt Int. Pmts.	0						0.0%	
	Debt Defeasance/Tender	0						0.0%	
	Paygo From Annual Operating Revenues	0						0.0%	
	Subtotal: Capital Program	0						0.0%	
	Water Quality Exchange and Transfers	0						0.0%	
	Other Operating Costs								
	Operating Equipment	118,993		100.0%				100.0%	
	Other	0						0.0%	
	Leases	0		100.0%				100.0%	
	EDMS Start-up	0		100.0%				100.0%	
	Water Standby Administration	0		100.0%				100.0%	
	Association Dues	11,144		100.0%				100.0%	
	Debt Administration	0		100.0%				100.0%	
	Insurance	4,719		100.0%				100.0%	
	Contingency	8,621		100.0%				100.0%	
	Miscellaneous Other O&M	0		100.0%				100.0%	
	P-1 Pumping Plant	0						0.0%	
	Subtotal: Leases And Operating Equipment	143,477						0.0%	
	Increase/(Decrease) in Required Reserves	(14,065)		100.0%				100.0%	
	Total General District Requirements	41,246,199							
	REQUIREMENTS BEFORE OFFSETS:	43,556,978							
	Revenue Offsets								
	Property Tax Revenues	0						0.0%	
	Interest	1,548,506		100.0%				100.0%	
	Hydro-Power Revenues	0						0.0%	
	Other Revenues	0							
	<i>Water Quality Division Revenue Generation</i>	0						0.0%	
	<i>All Other</i>	0						0.0%	
	Miscellaneous Revenues	0		100.0%				100.0%	
	DVL Fill Power Costs from Transfer Fund	0						0.0%	
	PAYG from Prior Period Revenues	0						0.0%	
	Other	0		100.0%				100.0%	
	SDCWA/MWD Exchange Agreement	0						0.0%	
	Wheeling	0						0.0%	
	Growth Charge/Annexation Revenues	0	0.0%	0.0%	0.0%		0.0%	0.0%	
	Subtotal: Revenue Offsets	1,548,506						0.0%	
	NET REVENUE REQUIREMENTS:	\$ 42,008,473							
	Comparison check-sum (includes only visible line items)	\$ 42,008,473							
	Check-sum difference (should be zero)	\$ -							
	(if there is a check-sum error, the check-sum difference should provide a clue as to which line item is improperly hidden)								
	Number of Negative Allocations (indicates an error)		0	0	0	0	0	0	

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
DEPARTMENTAL BUDGETS							
<i>(by Group/Section)</i>							
Office of the Chief Executive Officer							
Office of Chief Executive Officer	\$ 40,218	\$ -	\$ 40,218	\$ -	\$ -	\$ -	\$ 40,218
Board of Directors	0	0	0	0	0	0	-
Subtotal: Office of the Chief Executive	40,218	0	40,218	0	0	0	40,218
External Affairs							
Legislative Services	0	0	0	0	0	0	0
Media Services	0	0	0	0	0	0	0
Office of Manager	0	0	0	0	0	0	0
Customer and Community	0	0	0	0	0	0	0
Subtotal: External Affairs	0	0	0	0	0	0	0
Water Systems Operations							
Office of Manager, A & G	0	0	0	0	0	0	0
Office of Manager, Conveyance and Distribut	0	0	0	0	0	0	0
Office of the Manager, Treatment Section	0	0	0	0	0	0	0
Office of the Manager, Operations Support Se	0	0	0	0	0	0	0
Operations Support Services,Construction Ser	0	0	0	0	0	0	0
C&D CRA Unit	0	0	0	0	0	0	0
C&D System Operations	0	0	0	0	0	0	0
Treatment Jensen	0	0	0	0	0	0	0
Treatment Diemer	0	0	0	0	0	0	0
Treatment Mills	0	0	0	0	0	0	0
Treatment Skinner	0	0	0	0	0	0	0
Treatment Weymouth	0	0	0	0	0	0	0
Water Quality Monitoring	0	0	0	0	0	0	0
C & D, Eastern Unit	0	0	0	0	0	0	0
C & D, Western Unit	0	0	0	0	0	0	0
OSS, Maintenance Support Unit	0	0	0	0	0	0	0
OSS, Environmental Support Unit	0	0	0	0	0	0	0
OSS, Fleet Maintenance	0	0	0	0	0	0	0
OSS, Power Support Unit	0	0	0	0	0	0	0
OSS, A&G (Project Support Team)	0	0	0	0	0	0	0
Subtotal: Water System Operations	0	0	0	0	0	0	0
Chief Financial Officer							
Office of the CFO	0	0	0	0	0	0	0
Subtotal: Chief Financial Officer	0	0	0	0	0	0	0
Corporate Resources							
Business Services	0	0	0	0	0	0	0
Asset Management	0	0	0	0	0	0	0
Engineering Services	0	0	0	0	0	0	0
Human Resources	102,151	0	102,151	0	0	0	102,151
Information Technology	153,310	0	153,310	0	0	0	153,310
Office of Manager	0	0	0	0	0	0	0
Subtotal: Corporate Resources	255,461	0	255,461	0	0	0	255,461
Water Resource Management							
Resource Planning	0	0	0	0	0	0	0
Resource Implementation	2,015,100	0	2,015,100	0	0	0	2,015,100
Office of Manager	0	0	0	0	0	0	0
Subtotal: Water Resource Management	2,015,100	0	2,015,100	0	0	0	2,015,100
Legal Department							
	0	0	0	0	0	0	0
Audit Department							
	0	0	0	0	0	0	0
Total Departmental O&M	2,310,779	0	2,310,779	0	0	0	2,310,779
GENERAL DISTRICT REQUIREMENTS							
State Water Project							
Existing Capital Costs							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Future Capital Costs	0	0	0	0	0	0	0
Minimum OMP&R							
Transmission	0	0	0	0	0	0	0
Delta-Water Charge (Supply)	0	0	0	0	0	0	0
Bay Delta Category III Funding	0	0	0	0	0	0	0
Off-Aqueduct	0	0	0	0	0	0	0
Variable Power Cost	0	0	0	0	0	0	0
SWP Credits							
Power	0	0	0	0	0	0	0
Transmission	0	0	0	0	0	0	0
Bay-Delta (Supply)	0	0	0	0	0	0	0
Subtotal: SWP	0	0	0	0	0	0	0
Colorado River Aqueduct							
Power Cost	0	0	0	0	0	0	0
CRA Supply Programs							
IID 1	0	0	0	0	0	0	0
Other # 1	0	0	0	0	0	0	0
All American and Coachella Canal Lining C	0	0	0	0	0	0	0
Other # 2	0	0	0	0	0	0	0
Storage Programs	0	0	0	0	0	0	0
Subtotal: Colorado River Aqueduct	0	0	0	0	0	0	0
Deposit to Water Transfer Fund							
	0	0	0	0	0	0	0
Water Management Programs							

FY2003	Functional Allocations:	Classification Categories					Total
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydroelectric	
Local Resources Program	26,773,187	0	26,773,187	0	0	0	26,773,187
Conservation Credits Program	14,343,600	0	14,343,600	0	0	0	14,343,600
Subtotal: WMP	41,116,787	0	41,116,787	0	0	0	41,116,787
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	0	0	0	0	0	0	0
G.O. Bond Debt Service	0	0	0	0	0	0	0
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0	0
Debt Defeasance/Tender	0	0	0	0	0	0	0
Paygo From Annual Operating Revenues	0	0	0	0	0	0	0
Subtotal: Capital Program	0	0	0	0	0	0	0
Water Quality Exchange and Transfers	0	0	0	0	0	0	0
Other Operating Costs							
Operating Equipment	118,993	0	118,993	0	0	0	118,993
Other	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0
EDMS Start-up	0	0	0	0	0	0	0
Water Standby Administration	0	0	0	0	0	0	0
Association Dues	11,144	0	11,144	0	0	0	11,144
Debt Administration	0	0	0	0	0	0	0
Insurance	4,719	0	4,719	0	0	0	4,719
Contingency	8,621	0	8,621	0	0	0	8,621
Miscellaneous Other O&M	0	0	0	0	0	0	0
P-1 Pumping Plant	0	0	0	0	0	0	0
Subtotal: Leases And Operating Equipment	143,477	0	143,477	0	0	0	143,477
Increase/(Decrease) in Required Reserves	(14,065)	0	(14,065)	0	0	0	(14,065)
Total General District Requirements	41,246,199	0	41,246,199	0	0	0	41,246,199
REQUIREMENTS BEFORE OFFSETS:	43,556,978	0	43,556,978	0	0	0	43,556,978
Revenue Offsets							
Property Tax Revenues	0	0	0	0	0	0	0
Interest	1,548,506	0	1,548,506	0	0	0	1,548,506
Hydro-Power Revenues	0	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0	0
<i>Water Quality Division Revenue Generation</i>	0	0	0	0	0	0	0
<i>All Other</i>	0	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	0	0	0	0
DVL Fill Power Costs from Transfer Fund	0	0	0	0	0	0	0
PAYG from Prior Period Revenues	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
SDCWA/MWD Exchange Agreement	0	0	0	0	0	0	0
Wheeling	0	0	0	0	0	0	0
Growth Charge/Annexation Revenues	0	0	0	0	0	0	0
Subtotal: Revenue Offsets	1,548,506	0	1,548,506	0	0	0	1,548,506
NET REVENUE REQUIREMENTS:	\$ 42,008,473	\$ -	\$ 42,008,473	\$ -	\$ -	\$ -	\$ 42,008,473

FY2003	Basis of Classification (2)	Functional Allocations: Administrative & General	Classification Percentages (2)						% Total
			Fixed			Variable		Hydroelectric	
			Demand	Commodity	Standby	Commodity	Other		
DEPARTMENTAL BUDGETS <i>(by Group/Section)</i>									
Office of the Chief Executive Officer									
	Office of Chief Executive Officer	\$ 942,287	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	
	Board of Directors	763,150	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
	Subtotal: Office of the Chief Executive Officer	1,705,438	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	
External Affairs									
	Legislative Services	2,687,700	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
	Media Services	2,285,900	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
	Office of Manager	1,008,900	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
	Customer and Community	5,488,400	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
	Subtotal: External Affairs	11,470,900	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Water Systems Operations									
	Office of Manager, A & G	0	0.0%	0.4%	0.0%	0.0%	0.0%	0.0%	
	Office of Manager, Conveyance and Distribution (C&A)	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
	Office of the Manager, Treatment Section	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
	Office of the Manager, Operations Support Services	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
	Operations Support Services, Construction Services Unit	0	0.0%	0.4%	0.0%	0.0%	0.0%	0.0%	
	C&D CRA Unit	0	0.0%	0.9%	0.0%	0.0%	0.0%	0.0%	
	C&D System Operations	0	0.0%	0.3%	0.0%	0.0%	0.0%	0.0%	
	Treatment Jensen	0	0.0%	0.4%	0.0%	0.1%	0.0%	0.0%	
	Treatment Diemer	0	0.0%	0.4%	0.0%	0.4%	0.0%	0.0%	
	Treatment Mills	0	0.0%	0.3%	0.0%	0.1%	0.0%	0.0%	
	Treatment Skinner	0	0.0%	0.4%	0.0%	0.3%	0.0%	0.0%	
	Treatment Weymouth	0	0.0%	0.4%	0.0%	0.3%	0.0%	0.0%	
	Water Quality Monitoring	0	0.0%	1.0%	0.0%	0.0%	0.0%	0.0%	
	C & D, Eastern Unit	0	0.0%	0.7%	0.0%	0.0%	0.0%	0.0%	
	C & D, Western Unit	0	0.0%	0.6%	0.0%	0.0%	0.0%	0.0%	
	OSS, Maintenance Support Unit	0	0.0%	0.3%	0.0%	0.0%	0.0%	0.0%	
	OSS, Environmental Support Unit	0	0.0%	0.3%	0.0%	0.0%	0.0%	0.0%	
	OSS, Fleet Maintenance	0	0.0%	0.4%	0.0%	0.0%	0.0%	0.0%	
	OSS, Power Support Unit	0	0.0%	0.3%	0.0%	0.0%	0.0%	0.0%	
	OSS, A&G (Project Support Team)	0	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	
	Subtotal: Water System Operations	0	0.0%	7.4%	0.1%	1.3%	0.0%	0.1%	
Chief Financial Officer									
	Office of the CFO	7,573,799	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
	Subtotal: Chief Financial Officer	7,573,799	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Corporate Resources									
	Business Services	10,830,163	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
	Asset Management	704,033	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	
	Engineering Services	489,051	0.0%	1.3%	0.3%	0.0%	0.0%	0.0%	
	Human Resources	3,467,153	0.0%	0.7%	0.0%	0.0%	0.0%	0.0%	
	Information Technology	5,203,534	0.0%	1.0%	0.0%	0.0%	0.0%	0.0%	
	Office of Manager	394,572	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
	Subtotal: Corporate Resources	21,088,505	0.0%	3.1%	0.4%	0.0%	0.0%	0.1%	
Water Resource Management									
	Resource Planning	521,157	0.0%	0.4%	0.0%	0.0%	0.0%	0.0%	
	Resource Implementation	0	0.0%	0.5%	0.0%	0.0%	0.0%	0.0%	
	Office of Manager	317,480	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	
	Subtotal: Water Resource Management	838,638	0.0%	1.1%	0.0%	0.0%	0.0%	0.0%	
Legal Department									
		6,198,873	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Audit Department									
		956,282	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
	Total Departmental O&M	49,832,433	0.0%	11.8%	0.5%	1.3%	0.0%	0.1%	
GENERAL DISTRICT REQUIREMENTS									
State Water Project									
	Existing Capital Costs								
	Transmission								
	Delta-Water Charge (Supply)	0	3.4%	6.8%	2.2%	0.0%	0.0%	0.0%	
	Future Capital Costs	0	0.0%	1.9%	0.0%	0.0%	0.0%	0.0%	
	Minimum OMP&R	0	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	
	Transmission								
	Delta-Water Charge (Supply)	0	0.0%	7.8%	0.0%	0.0%	0.0%	0.0%	
	Bay Delta Category III Funding	0	0.0%	2.3%	0.0%	0.0%	0.0%	0.0%	
	Off-Aqueduct	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
	Variable Power Cost	0	0.0%	0.4%	0.0%	6.1%	0.0%	0.0%	
	SWP Credits	0	0.0%	0.0%	0.0%	5.6%	0.0%	0.0%	
	Power								
	Transmission	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
	Bay-Delta (Supply)	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
	Subtotal: SWP	0	3.4%	19.2%	2.2%	11.6%	0.0%	0.0%	
	Ratio of SWP costs to total costs								
Colorado River Aqueduct									
	Power Cost	0	0.0%	0.0%	0.0%	5.5%	0.0%	0.0%	
	CRA Supply Programs								
	IID 1	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	Other # 1	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	All American and Coachella Canal Lining O&M	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	Other # 2	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	Storage Programs	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	Subtotal: Colorado River Aqueduct	0	0.00%	0.00%	0.00%	5.49%	0.00%	0.00%	
	Ratio of CRA costs to total costs								
Deposit to Water Transfer Fund									
		0	0.0%	4.2%	0.0%	0.0%	0.0%	0.0%	
Water Management Programs									

FY2003	Basis of Classification (2)	Functional Allocations: Administrative & General	Classification Percentages (2)						% Total
			Fixed			Variable			
			Demand	Commodity	Standby	Commodity	Other	Hydroelectric	
Local Resources Program		0	0.0%	2.5%	0.0%	0.0%	0.0%	0.0%	
Conservation Credits Program		0	0.0%	1.3%	0.0%	0.0%	0.0%	0.0%	
Subtotal: WMP		0	0.0%	3.8%	0.0%	0.0%	0.0%	0.0%	
Capital Financing Program									
Rev Bond D/S & Increase in I&P Fund		4,726,679	4.7%	7.4%	3.7%	0.0%	0.0%	0.4%	
G.O. Bond Debt Service		0	2.6%	2.1%	0.0%	0.0%	0.0%	0.0%	
Non-Rev. Bond Var. Rate Debt Int. Pmts.		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Debt Defeasance/Tender		557,538	0.6%	0.9%	0.4%	0.0%	0.0%	0.0%	
Paygo From Annual Operating Revenues		3,593,660	3.6%	5.6%	2.8%	0.0%	0.0%	0.3%	
Subtotal: Capital Program		8,877,877	11.4%	16.0%	7.0%	0.0%	0.0%	0.7%	
Water Quality Exchange and Transfers		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Other Operating Costs									
Operating Equipment		2,822,329	0.0%	0.7%	0.0%	0.0%	0.0%	0.0%	
Other		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Leases		720,000	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	
EDMS Start-up		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Water Standby Administration		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Association Dues		264,321	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	
Debt Administration		74,480	0.0%	0.2%	0.1%	0.0%	0.0%	0.0%	
Insurance		101,769	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	
Contingency		185,917	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	
Miscellaneous Other O&M		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
P-1 Pumping Plant		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Subtotal: Leases And Operating Equipment		4,168,817	0.0%	1.3%	0.1%	0.0%	0.0%	0.0%	
Increase/(Decrease) in Required Reserves		(303,312)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Total General District Requirements		12,743,381	14.8%	44.5%	9.2%	17.1%	0.0%	0.7%	
REQUIREMENTS BEFORE OFFSETS:		62,575,814	14.8%	56.3%	9.7%	18.4%	0.0%	0.9%	100.0%
Revenue Offsets (1)									
Property Tax Revenues		0	14.8%	56.3%	9.7%	18.4%	0.0%	0.9%	100.0%
Interest	<i>Tied to allocation of total revenue</i>	2,224,649	14.8%	56.3%	9.7%	18.4%	0.0%	0.9%	100.0%
Hydro-Power Revenues		0	14.8%	56.3%	9.7%	18.4%	0.0%	0.9%	100.0%
Other Revenues		0	14.8%	56.3%	9.7%	18.4%	0.0%	0.9%	100.0%
Water Quality Division Revenue Ge	<i>Tied to allocation of total revenue</i>	0	14.8%	56.3%	9.7%	18.4%	0.0%	0.9%	100.0%
All Other	<i>Tied to allocation of total revenue</i>	0	14.8%	56.3%	9.7%	18.4%	0.0%	0.9%	100.0%
Miscellaneous Revenues	<i>Tied to allocation of total revenue</i>	0	14.8%	56.3%	9.7%	18.4%	0.0%	0.9%	100.0%
DVL Fill Power Costs from Transfer Fund		0	14.8%	56.3%	9.7%	18.4%	0.0%	0.9%	100.0%
PAYG from Prior Period Revenues		1,332,660	14.8%	56.3%	9.7%	18.4%	0.0%	0.9%	100.0%
Other		0	14.8%	56.3%	9.7%	18.4%	0.0%	0.9%	100.0%
SDCWA/MWD Exchange Agreement		0	14.8%	56.3%	9.7%	18.4%	0.0%	0.9%	100.0%
Wheeling		0	14.8%	56.3%	9.7%	18.4%	0.0%	0.9%	100.0%
Growth Charge/Annexation Revenues	<i>Tied to allocation of total revenue</i>	28,012	14.8%	56.3%	9.7%	18.4%	0.0%	0.9%	100.0%
Subtotal: Revenue Offsets		3,585,322							
NET REVENUE REQUIREMENTS:		\$ 58,990,493							
Comparison check-sum (includes only visible line items)		\$ 58,990,493							
Check-sum difference (should be zero)		\$ -							
(if there is a check-sum error, the check-sum difference should provide a clue as to which line item is improperly hidden)									
Number of Negative Allocations (indicates a possible error)			0	0	0	0	0	0	

FY2003	Functional Allocations: Administrative & General	Classification Categories						Total	
		Fixed			Variable	Customer	Hydroelectric		
		Demand	Commodity	Standby	Commodity				
DEPARTMENTAL BUDGETS									
<i>(by Group/Section)</i>									
-	Office of the Chief Executive Officer	\$	-	\$ 147,816	\$ 6,001	\$ -	\$ -	\$ 1,614	\$ 155,431
-	Office of Chief Executive Officer		0	0	0	0	0	0	-
-	Board of Directors		0	0	0	0	0	0	-
-	Subtotal: Office of the Chief Executive Officer		0	147,816	6,001	0	0	1,614	155,431
-	External Affairs								
-	Legislative Services		0	0	0	0	0	0	0
-	Media Services		0	0	0	0	0	0	0
-	Office of Manager		0	0	0	0	0	0	0
-	Customer and Community		0	0	0	0	0	0	0
-	Subtotal: External Affairs		0	0	0	0	0	0	0
-	Water Systems Operations								
-	Office of Manager, A & G		0	253,474	1,541	0	0	2,432	257,447
-	Office of Manager, Conveyance and Distribution (C&A)		0	7,958	0	0	0	245	8,202
-	Office of the Manager, Treatment Section		0	9,029	0	0	0	0	9,029
-	Office of the Manager, Operations Support Services		0	16,828	102	0	0	161	17,092
-	Operations Support Services, Construction Services Unit		0	244,537	2,470	0	0	0	247,008
-	C&D CRA Unit		0	577,623	0	0	0	0	577,623
-	C&D System Operations		0	158,770	0	0	0	0	158,770
-	Treatment Jensen		0	231,003	0	84,171	0	0	315,174
-	Treatment Diemer		0	223,632	0	267,174	0	0	490,806
-	Treatment Mills		0	160,937	0	91,403	0	0	252,341
-	Treatment Skinner		0	242,144	0	196,320	0	0	438,464
-	Treatment Weymouth		0	253,191	0	164,155	0	0	417,346
-	Water Quality Monitoring		0	609,338	24,624	0	0	0	633,962
-	C & D, Eastern Unit		0	463,515	0	0	0	24,396	487,911
-	C & D, Western Unit		0	348,184	0	0	0	18,325	366,509
hide	OSS, Maintenance Support Unit		0	166,156	1,039	0	0	1,647	168,842
-	OSS, Environmental Support Unit		0	216,940	1,356	0	0	2,151	220,447
-	OSS, Fleet Maintenance		0	251,282	1,571	0	0	2,491	255,344
-	OSS, Power Support Unit		0	158,803	0	0	0	0	158,803
-	OSS, A&G (Project Support Team)		0	47,951	300	0	0	475	48,726
-	Subtotal: Water System Operations		0	4,641,296	33,004	803,223	0	52,324	5,529,846
-	Chief Financial Officer								
-	Office of the CFO		0	0	0	0	0	0	0
-	Subtotal: Chief Financial Officer		0	0	0	0	0	0	0
-	Corporate Resources								
-	Business Services		0	0	0	0	0	0	0
-	Asset Management		0	72,267	17,976	0	0	2,975	93,218
-	Engineering Services		0	814,511	205,993	0	0	24,367	1,044,871
-	Human Resources		0	407,426	6,105	0	0	4,460	417,991
-	Information Technology		0	611,468	9,163	0	0	6,694	627,325
-	Office of Manager		0	15,546	0	0	0	0	15,546
-	Subtotal: Corporate Resources		0	1,921,218	239,238	0	0	38,496	2,198,951
-	Water Resource Management								
-	Resource Planning		0	264,113	3,414	0	0	0	267,527
-	Resource Implementation		0	326,808	0	0	0	0	326,808
-	Office of Manager		0	85,760	1,106	0	0	0	86,866
-	Subtotal: Water Resource Management		0	676,681	4,520	0	0	0	681,201
-	Legal Department		0	0	0	0	0	0	0
-	Audit Department		0	0	0	0	0	0	0
-	Total Departmental O&M		0	7,387,011	282,762	803,223	0	92,435	8,565,431
-	GENERAL DISTRICT REQUIREMENTS								
-	State Water Project								
hide	Existing Capital Costs								
-	Transmission		2,117,134	4,234,268	1,365,955	0	0	0	7,717,357
-	Delta-Water Charge (Supply)		0	1,206,220	0	0	0	0	1,206,220
-	Future Capital Costs		0	70,677	0	0	0	0	70,677
hide	Minimum OMP&R		0	0	0	0	0	0	0
-	Transmission		0	4,855,048	0	0	0	0	4,855,048
-	Delta-Water Charge (Supply)		0	1,429,299	0	0	0	0	1,429,299
hide	Bay Delta Category III Funding		0	0	0	0	0	0	0
-	Off-Aqueduct		0	226,002	0	3,792,584	0	0	4,018,586
-	Variable Power Cost		0	0	0	3,480,236	0	0	3,480,236
hide	SWP Credits		0	0	0	0	0	0	0
hide	Power		0	0	0	0	0	0	0
hide	Transmission		0	0	0	0	0	0	0
hide	Bay-Delta (Supply)		0	0	0	0	0	0	0
-	Subtotal: SWP		2,117,134	12,021,516	1,365,955	7,272,821	0	0	22,777,425
-	Colorado River Aqueduct								
-	Power Cost		0	0	0	3,432,355	0	0	3,432,355
hide	CRA Supply Programs		0	0	0	0	0	0	0
hide	IID 1		0	0	0	0	0	0	0
hide	Other # 1		0	0	0	0	0	0	0
hide	All American and Coachella Canal Lining O&M		0	0	0	0	0	0	0
hide	Other # 2		0	0	0	0	0	0	0
hide	Storage Programs		0	0	0	0	0	0	0
-	Subtotal: Colorado River Aqueduct		0	0	0	3,432,355	0	0	3,432,355
-	Deposit to Water Transfer Fund		0	2,627,311	0	0	0	0	2,627,311
-	Water Management Programs								

Metropolitan Water District
 Cost of Service Model
 Schedule E-24b
 Classification of Revenue Requirements: Administrative & General

FY2003	Functional Allocations:	Classification Categories						Total	
		Fixed			Variable	Customer	Hydroelectric		
		Demand	Commodity	Standby	Commodity				
-	Local Resources Program	0	1,563,144	0	0	0	0	1,563,144	
-	Conservation Credits Program	0	837,447	0	0	0	0	837,447	
-	Subtotal: WMP	0	2,400,591	0	0	0	0	2,400,591	
-	Capital Financing Program								
-	Rev Bond D/S & Increase in I&P Fund	2,933,534	4,613,238	2,316,407	0	0	235,505	10,098,684	
-	G.O. Bond Debt Service	1,620,525	1,322,678	14,763	0	0	0	2,957,966	
hide	Non-Rev. Bond Var. Rate Debt Int. Pmts.	0	0	0	0	0	0	0	
-	Debt Defeasance/Tender	346,027	544,157	273,233	0	0	27,779	1,191,196	
-	Paygo From Annual Operating Revenues	2,230,345	3,507,412	1,761,148	0	0	179,052	7,677,958	
-	Subtotal: Capital Program	7,130,432	9,987,484	4,365,552	0	0	442,336	21,925,804	
-	Water Quality Exchange and Transfers	0	0	0	0	0	0	0	
-	Other Operating Costs								
-	Operating Equipment	0	437,346	17,754	0	0	4,777	459,877	
hide	Other	0	0	0	0	0	0	0	
-	Leases	0	0	0	0	0	0	0	
hide	EDMS Start-up	0	0	0	0	0	0	0	
hide	Water Standby Administration	0	0	0	0	0	0	0	
-	Association Dues	0	40,959	1,663	0	0	447	43,069	
-	Debt Administration	0	124,046	31,372	0	0	3,711	159,129	
-	Insurance	0	57,515	577	0	0	189	58,281	
-	Contingency	0	105,071	1,055	0	0	345	106,471	
hide	Miscellaneous Other O&M	0	0	0	0	0	0	0	
-	P-1 Pumping Plant	0	20,070	0	0	0	0	20,070	
-	Subtotal: Leases And Operating Equipment	0	785,007	52,421	0	0	9,469	846,897	
-	Increase/(Decrease) in Required Reserves	0	0	0	0	0	0	0	
hide	Total General District Requirements	9,247,566	27,821,910	5,783,928	10,705,176	0	451,805	54,010,384	
-	REQUIREMENTS BEFORE OFFSETS:	\$ 62,575,814	\$ 9,247,566	\$ 35,208,920	\$ 6,066,690	\$ 11,508,398	\$ -	\$ 544,240	\$ 62,575,814
-	Revenue Offsets								
hide	Property Tax Revenues	0	0	0	0	0	0	0	
-	Interest	2,224,649	328,763	1,251,722	215,678	409,138	0	19,348	2,224,649
hide	Hydro-Power Revenues	0	0	0	0	0	0	0	
hide	Other Revenues	0	0	0	0	0	0	0	
hide	Water Quality Division Revenue Generation	0	0	0	0	0	0	0	
hide	All Other	0	0	0	0	0	0	0	
hide	Miscellaneous Revenues	0	0	0	0	0	0	0	
hide	DVL Fill Power Costs from Transfer Fund	0	0	0	0	0	0	0	
-	PAYG from Prior Period Revenues	1,332,660	196,943	749,835	129,201	245,091	0	11,591	1,332,660
hide	Other	0	0	0	0	0	0	0	
hide	SDCWA/MWD Exchange Agreement	0	0	0	0	0	0	0	
hide	Wheeling	0	0	0	0	0	0	0	
-	Growth Charge/Annexation Revenues	28,012	4,140	15,761	2,716	5,152	0	244	28,012
-	Subtotal: Revenue Offsets	3,585,322	529,845	2,017,318	347,595	659,381	0	31,183	3,585,322
-	NET REVENUE REQUIREMENTS:	\$ 58,990,493	\$ 8,717,721	\$ 33,191,603	\$ 5,719,095	\$ 10,849,017	\$ -	\$ 513,057	\$ 58,990,493

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FY 2002

	Labor And Labor Additive	Outside Services	Utilities	Chemicals	Other O&M	O&M Credits (pro-rated)	Total
DEPARTMENTAL BUDGETS							
<i>(by Group/Section)</i>							
Office of the Chief Executive Officer							
Office of Chief Executive Officer	4,227,400	120,000	0	0	381,900	(1,124,819)	\$ 3,604,481
Subtotal: Office of the Chief Executive Officer	4,675,700	230,000	0	0	824,900	(1,362,968)	4,367,632
External Affairs							
Legislative Services	1,179,300	930,000	0	0	578,400		2,687,700
Media Services	1,112,800	390,000	0	0	783,100		2,285,900
Office of Manager	911,900	0	0	0	97,000		1,008,900
Customer and Community	2,604,200	235,500	0	0	2,648,700		5,488,400
						0	0
Subtotal: External Affairs	5,808,200	1,555,500	0	0	4,107,200		11,470,900
Water Systems Operations							
Office of Manager, A & G	3,869,000	200,000	0	0	340,500		4,409,500
Office of Manager, Conveyance and Distribution (C&A)	134,490				6,000		140,490
Office of the Manager, Treatment Section	149,644				5,000		154,644
Office of the Manager, Operations Support Services	219,852	50,000			22,900		292,752
Operations Support Services, Construction Services Unit	2,963,090	880,300	31,000		356,300		4,230,690
C&D CRA Unit	7,072,905	561,700	61,100	200,800	1,996,900		9,893,405
C&D System Operations	2,323,474	127,100	60,000		208,800		2,719,374
Treatment Jensen	3,695,260	261,300	1,041,100	2,602,700	552,300		8,152,660
Treatment Diemer	3,630,323	200,000	534,200	1,579,000	764,900		6,708,423
Treatment Mills	2,601,897	154,600	423,600	1,176,800	392,700		4,749,597
Treatment Skinner	3,970,888	176,500	984,500	2,622,900	674,000		8,428,788
Treatment Weymouth	4,108,595	228,000	411,900	1,552,700	1,181,600		7,482,795
Water Quality Monitoring	8,505,866	1,126,000	330,000		896,500		10,858,366
Subtotal: Water System Operations	60,614,456	6,643,500	8,213,000	9,954,600	12,025,900	0	97,451,456
Chief Financial Officer							
Office of the CFO	4,801,200	2,198,000	0	0	759,900	(185,301)	7,573,799
Subtotal: Chief Financial Officer	4,801,200	2,198,000	0	0	759,900	(185,301)	7,573,799
Corporate Resources							
Business Services	9,781,612	1,755,000	1,109,300	0	1,563,915	(3,379,664)	10,830,163
Asset Management	1,664,646	356,500	0	0	279,500		2,300,646
Engineering Services	15,226,108	1,929,700	90,000	0	1,139,558		18,385,366
Human Resources	6,860,225	5,474,250	0	0	1,608,032	(3,316,090)	10,626,417
Information Technology	14,378,594	871,400	12,000	0	5,663,039	(4,976,810)	15,948,223
Office of Manager	836,559	0	0	0	58,600	(234,320)	660,839
Subtotal: Corporate Resources	48,747,744	10,386,850	1,211,300	0	10,312,644	(11,906,885)	58,751,653
Water Resource Management							
Resource Planning	3,885,700	810,000	0	0	407,600		5,103,300
Resource Implementation	3,613,100	1,668,500	0	0	315,900		5,597,500
Office of Manager	1,548,400	0	0	0	256,900		1,805,300
Subtotal: Water Resource Management	9,047,200	2,478,500	0	0	980,400	0	12,506,100
Legal Department							
	4,741,400	2,963,000	0	0	428,900	(1,934,427)	6,198,873
Audit Department							
	1,113,700	75,000	0	0	66,000	(298,418)	956,282
Total Departmental O&M							
	139,549,600	26,530,350	9,424,300	9,954,600	29,505,844	(15,688,000)	\$ 199,276,694

FY2003

Amount as Classified, Excluding A&G	Line Item Costs by Classification Category (w/o A&G)						Total Classifications	
	Demand	Commodity	Standby	Variable Commodity	Other	Hydro-Electric		
Asset Management	1,596,613	0	1,237,770	307,892	0	0	50,950	1,596,613
Engineering Services	17,896,315	0	13,990,758	3,528,210	0	0	417,348	17,896,315
Human Resources	7,159,264	0	6,978,299	104,568	0	0	76,398	7,159,264
Information Technology	10,744,688	0	10,473,094	156,936	0	0	114,659	10,744,688
Office of Manager	266,267	0	266,267	0	0	0	0	266,267
Subtotal: Corporate Resources	37,663,148	0	32,906,187	4,097,607	0	0	659,355	37,663,148
Water Resource Management								
Resource Planning	4,582,143	0	4,523,669	58,474	0	0	0	4,582,143
Resource Implementation	5,997,500	0	5,997,500	0	0	0	0	5,997,500
Office of Manager	1,487,820	0	1,468,877	18,943	0	0	0	1,487,820
-	-	0	0	0	0	0	0	0
Subtotal: Water Resource Management	11,667,462	0	11,990,046	77,417	0	0	0	11,667,462
Legal Department	-	0	0	0	0	0	0	0
Audit Department	-	0	0	0	0	0	0	0
Total Departmental O&M	146,706,779	0	126,523,070	4,843,086	13,757,418	0	1,583,206	146,706,779
GENERAL DISTRICT REQUIREMENTS								
State Water Project								
Existing Capital Costs								
<i>Transmission</i>								
Delta-Water Charge (Supply)	132,181,162	36,261,799	72,523,598	23,395,765	0	0	0	132,181,162
Future Capital Costs	20,659,869	0	20,659,869	0	0	0	0	20,659,869
Minimum CMP&R	1,210,548	0	1,210,548	0	0	0	0	1,210,548
<i>Transmission</i>								
Delta-Water Charge (Supply)	83,156,182	0	83,156,182	0	0	0	0	83,156,182
Bay Delta Category III Funding	24,480,720	0	24,480,720	0	0	0	0	24,480,720
Off-Aqueduct	68,829,448	0	3,870,913	0	64,958,535	0	0	68,829,448
Variable Power Cost	59,608,711	0	0	0	59,608,711	0	0	59,608,711
SWP Credits	-	0	0	0	0	0	0	0
Power	-	0	0	0	0	0	0	0
Transmission	-	0	0	0	0	0	0	0
Bay-Delta (SWP)	-	0	0	0	0	0	0	0
Subtotal: SWP	390,126,639	36,261,799	205,901,830	23,395,765	124,567,245	0	0	390,126,639
Colorado River Aqueduct								
Power Cost	58,788,610	0	0	0	58,788,610	0	0	58,788,610
CRA Supply Programs	-	0	0	0	0	0	0	0
ID 1	-	0	0	0	0	0	0	0
Other # 1	-	0	0	0	0	0	0	0
All American and Coachella Canal Lining O&M	-	0	0	0	0	0	0	0
Other # 2	-	0	0	0	0	0	0	0
Storage Programs	-	0	0	0	0	0	0	0
Subtotal: Colorado River Aqueduct	58,788,610	0	0	0	58,788,610	0	0	58,788,610
Deposit to Water Transfer Fund								
45,000,000	0	45,000,000	0	0	0	0	0	45,000,000
Water Management Programs								
Local Resources Program	26,773,187	0	26,773,187	0	0	0	0	26,773,187
Conservation Credits Program	14,343,600	0	14,343,600	0	0	0	0	14,343,600
Subtotal: WMP	41,116,787	0	41,116,787	0	0	0	0	41,116,787
Capital Financing Program								
Rev Bond D/S & Increase in I&P Fund	172,968,004	80,244,923	79,014,507	39,674,905	0	0	4,033,669	172,968,004
G.O. Bond Debt Service	50,663,386	27,755,995	22,654,527	252,864	0	0	0	50,663,386
Non-Rev. Bond Var. Rate Debt Int. Pmts.	-	0	0	0	0	0	0	0
Debt Defeasance/Tender	20,402,539	5,026,688	9,320,201	4,679,876	0	0	475,794	20,402,539
Paygo From Annual Operating Revenues	131,506,340	38,200,856	60,074,166	30,164,548	0	0	3,066,770	131,506,340
Subtotal: Capital Program	375,540,269	122,128,442	171,063,400	74,772,194	0	0	7,576,233	375,540,269
Water Quality Exchange and Transfers								
-	0	0	0	0	0	0	0	0
Other Operating Costs								
Operating Equipment	7,876,671	0	7,490,765	304,093	0	0	81,813	7,876,671
Other	-	0	0	0	0	0	0	0
Leases	-	0	0	0	0	0	0	0
EDMS Start-up	-	0	0	0	0	0	0	0
Water Standby Administration	-	0	0	0	0	0	0	0
Association Dues	737,679	0	701,537	28,479	0	0	7,662	737,679
Debt Administration	2,725,520	0	2,124,631	537,329	0	0	63,560	2,725,520
Insurance	998,231	0	985,107	9,891	0	0	3,233	998,231
Contingency	1,823,616	0	1,799,640	18,069	0	0	5,907	1,823,616
Miscellaneous Other O&M	-	0	0	0	0	0	0	0
P-1 Pumping Plant	343,750	0	343,750	0	0	0	0	343,750
Subtotal: Leases And Operating Equipment	14,505,466	0	13,445,430	897,861	0	0	162,175	14,505,466
Increase/(Decrease) in Required Reserves								
-	0	0	0	0	0	0	0	0
Total General District Requirements	925,077,772	158,390,241	476,527,447	99,065,820	183,355,856	0	7,738,408	925,077,772
REQUIREMENTS BEFORE OFFSETS:								
1,020,769,438	158,390,241	603,050,517	103,908,906	197,113,274	0	9,321,613	0	1,071,784,551
Revenue Offsets								
Property Tax Revenues	100,924,434	74,305,061	8,861,467	17,757,907	0	0	0	100,924,434
Interest	36,139,820	6,083,285	19,657,357	3,915,845	6,152,281	0	331,053	36,139,820
Hydro-Power Revenues	21,200,000	0	0	0	0	0	21,200,000	21,200,000
Other Revenues	-	0	0	0	0	0	0	0
<i>Water Quality Division Revenue Generation</i>								
All Other	-	0	0	0	0	0	0	0
Miscellaneous Revenues	-	0	0	0	0	0	0	0
DVL Fill Power Costs from Transfer Fund	10,724,663	0	10,724,663	0	0	0	0	10,724,663
PAYG from Prior Period Revenues	48,767,340	14,409,345	22,225,266	10,995,460	0	0	1,137,270	48,767,340
Other	-	0	0	0	0	0	0	0
SICVA/MWD Exchange Agreement	1,619,910	0	1,619,910	0	0	0	0	1,619,910
Washing	-	0	0	0	0	0	0	0
Growth Charge/Annexation Revenues	1,171,988	385,351	526,803	235,928	0	0	23,905	1,171,988
Subtotal: Revenue Offsets	220,548,155	95,183,042	63,615,465	32,905,140	6,152,281	0	22,692,228	220,548,155
NET REVENUE REQUIREMENTS:	800,221,283	\$ 63,207,200	\$ 539,435,052	\$ 71,003,766	\$ 190,960,993	\$ -	\$ (13,370,614)	\$ 851,236,396

FY 2003

	A&G Line Item Allocators by Classification Category						Total
	Fixed			Variable Commodity	Demand Management	Hydro-Electric	
	Demand	Commodity	Standby				
Colorado River Aqueduct							
Power Cost	0.00%	0.00%	0.00%	5.49%	0.00%	0.00%	5.49%
CRA Supply Programs							
IID 1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other # 1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
All American and Coachella Canal Lining O&M	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other # 2	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Storage Programs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Subtotal: Colorado River Aqueduct	0.00%	0.00%	0.00%	5.49%	0.00%	0.00%	5.49%
Deposit to Water Transfer Fund	0.00%	4.20%	0.00%	0.00%	0.00%	0.00%	4.20%
Water Management Programs							
Local Resources Program	0.00%	2.50%	0.00%	0.00%	0.00%	0.00%	2.50%
Conservation Credits Program	0.00%	1.34%	0.00%	0.00%	0.00%	0.00%	1.34%
Subtotal: WMP	0.00%	3.84%	0.00%	0.00%	0.00%	0.00%	3.84%
Capital Financing Program							
Rev Bond D/S & Increase in I&P Fund	4.69%	7.37%	3.70%	0.00%	0.00%	0.38%	16.14%
G.O. Bond Debt Service	2.59%	2.11%	0.02%	0.00%	0.00%	0.00%	4.73%
Non-Rev. Bond Var. Rate Debt Int. Pmts.	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Debt Defeasance/Tender	0.55%	0.87%	0.44%	0.00%	0.00%	0.04%	1.90%
Paygo From Annual Operating Revenues	3.56%	5.61%	2.81%	0.00%	0.00%	0.29%	12.27%
Subtotal: Capital Program	11.39%	15.96%	6.98%	0.00%	0.00%	0.71%	35.04%
Water Quality Exchange and Transfers	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other Operating Costs							
Operating Equipment	0.00%	0.70%	0.03%	0.00%	0.00%	0.01%	0.73%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Leases	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
EDMS Start-up	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Water Standby Administration	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Association Dues	0.00%	0.07%	0.00%	0.00%	0.00%	0.00%	0.07%
Debt Administration	0.00%	0.20%	0.05%	0.00%	0.00%	0.01%	0.25%
Insurance	0.00%	0.09%	0.00%	0.00%	0.00%	0.00%	0.09%
Contingency	0.00%	0.17%	0.00%	0.00%	0.00%	0.00%	0.17%
Miscellaneous Other O&M	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
P-1 Pumping Plant	0.00%	0.03%	0.00%	0.00%	0.00%	0.00%	0.03%
Subtotal: Leases And Operating Equipment	0.00%	1.25%	0.08%	0.00%	0.00%	0.02%	1.35%
Increase/(Decrease) in Required Reserves	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total General District Requirements	14.78%	44.46%	9.24%	17.11%	0.00%	0.72%	86.31%
REQUIREMENTS BEFORE OFFSETS:	14.78%	56.27%	9.69%	18.39%	0.00%	0.87%	100.00%

Allocation of A&G Costs Among Functions - *Summary of Classification Results before Inclusion of Administrative and General Costs*

Functional Categories	Functional Costs Classified for FY 2003	Classification Categories (Costs Exclude Administrative and General Allocations)					Total Classified, Excluding A&G
		Fixed			Variable		
		Demand	Commodity	Standby	Commodity	Hydro-Electric	
Source of Supply							
CRA	\$ 1,415,186	\$ -	\$ 1,415,186	\$ -	\$ -	\$ -	\$ 1,415,186
SWP	48,497,263	-	48,497,263	-	-	-	48,497,263
Other Supply	50,227,573	-	50,227,573	-	-	-	50,227,573
Subtotal: Source of Supply	100,140,022	-	100,140,022	-	-	-	100,140,022
Conveyance & Aqueduct							
CRA							
CRA Power	59,703,595	-	3,133,023	-	56,570,572	-	59,703,595
CRA All Other	21,276,945	1,189,743	18,972,107	1,115,094	-	-	21,276,945
SWP							
SWP Power	107,141,647	-	1,895,215	-	105,246,432	-	107,141,647
SWP All Other	126,687,634	-	126,687,634	-	-	-	126,687,634
Other Conveyance & Aqueduct	37,538,328	8,264,354	22,893,950	6,380,023	-	-	37,538,328
Subtotal: Conveyance & Aqueduct	352,348,149	9,454,098	173,581,929	7,495,118	161,817,004	-	352,348,149
Storage							
Storage Costs Other Than Power							
Emergency	57,463,562	-	-	57,463,562	-	-	57,463,562
Drought	47,091,711	-	47,091,711	-	-	-	47,091,711
Regulatory	11,888,702	5,563,230	6,325,473	-	-	-	11,888,702
Storage Power	(6,510,415)	-	(6,510,415)	-	-	-	(6,510,415)
Subtotal: Storage	109,933,560	5,563,230	46,906,769	57,463,562	-	-	109,933,560
Treatment							
Jensen	24,719,913	6,800,448	16,480,766	-	1,438,700	-	24,719,913
Weymouth	15,984,263	1,631,034	11,552,955	-	2,800,273	-	15,984,263
Diemer	17,678,375	1,750,560	11,370,496	-	4,557,319	-	17,678,375
Mills	21,373,095	6,103,306	13,707,317	-	1,562,472	-	21,373,095
Skinner	22,606,253	4,541,740	14,711,627	-	3,352,885	-	22,606,253
Subtotal: Treatment	102,361,899	20,827,089	67,823,160	-	13,711,650	-	102,361,899
Distribution	106,809,431	17,851,213	88,958,218	-	-	-	106,809,431
Demand Management	42,008,473	-	42,008,473	-	-	-	42,008,473
Hydro-Electric	(13,380,251)	-	-	-	-	(13,380,251)	(13,380,251)
Total Costs Classified	\$ 800,221,283	\$ 53,695,629	\$ 519,418,571	\$ 64,958,680	\$ 175,528,654	\$ (13,380,251)	\$ 800,221,283

A&G Costs to be Allocated to Functional Categories \$ 8,717,721 \$ 33,191,603 \$ 5,719,094,867 \$ 10,849,017 \$ 513,057 \$ 58,990,493

(From Schedule E-24b, Classification of Revenue Requirements: Administrative & General.)

Metropolitan Water District
 Cost of Service Model
 Schedule X-5
 Fixed Asset Net Book Values Categorized by Sub-Function

Functional Categories	2000	2001
Source of Supply		
CRA		
SWP		
Other Supply	\$ 69,853,669	\$ 71,848,197
Conveyance & Aqueduct		
CRA		
<i>CRA Power</i>	7,298,145	7,022,756
<i>CRA All Other</i>	125,111,049	126,409,610
SWP		
<i>SWP Power</i>	0	0
<i>SWP All Other</i>	0	0
Other Conveyance & Aqueduct	431,566,699	527,870,648
Storage		
Storage Costs Other Than Power		
<i>Emergency</i>	1,020,100,837	1,057,862,128
<i>Drought</i>	882,023,735	905,489,847
<i>Regulatory</i>	189,255,229	194,905,701
Storage Power		
Water Quality		
CRA		
SWP		
Other		
Treatment		
Jensen	277,850,788	270,106,004
Weymouth	63,076,820	66,446,077
Diemer	77,673,110	80,491,589
Mills	225,199,888	236,072,647
Skinner	196,528,606	202,039,291
Transmission (adjusted for rounding)	1,348,719,168	1,358,438,976
Customer Related	0	0
Administrative & General	158,995,291	159,362,542
Hydro-electric	139,707,338	137,754,062
Total Functional Allocations:	\$ 5,212,960,371	\$ 5,402,120,076

Appendix 2
Tier 2 Supply Rate

Metropolitan Water District of Southern California
Rates and Charges
Appendix 2 - Tier 2 Supply Rate

Overview

The rate structure uses a two-tiered pricing approach to recover Metropolitan's supply costs. A two-tiered approach encourages local water agencies to efficiently use all existing local supplies and to continue to invest in cost-effective conservation and additional local resources like water recycling. Additionally, by using Metropolitan's cost of developing supply to set the Tier 2 Supply Rate, the member agencies have a clear price signal which will influence choices to purchase additional supply from Metropolitan or to seek alternative sources of imported supplies through water transfers.

The Tier 2 Supply Rate is recommended to be \$154 per acre-foot. This reflects a weighted average of Metropolitan's cost of supply from water transfer programs that Metropolitan has implemented. These programs include; the Imperial Irrigation District/Metropolitan Water District Conservation Program, the San Bernardino Valley Municipal Water District Water Transfer Program and the State Water Project Dry-Year Water Purchase Program. This appendix discusses the methodology used to calculate the unit cost for these programs, the rationale for selecting these particular programs, the assumptions about the supply programs and their costs.

Unit cost methodology

To calculate water supply program unit costs for the purposes of setting the Tier 2 Supply Rate the present value of program costs was divided by the total program yield. This method provides a meaningful estimate of the per acre-foot cost of water. The product of the resulting unit cost and the total program yield plus interest earned at 5.25 percent per year (the most recent quarter's average thirty-year Treasury bond yield) is sufficient to pay the program costs over the term of the program.

Rationale for selecting supply programs

In addition to having a standard formula for calculating unit cost, the process for setting the Tier 2 Supply Rate needs to be supported by a rationale for selecting water supply programs to which the formula should be applied. The rationale for selecting water supply programs for the Tier 2 Supply Rate setting process should be grounded in the following criteria:

- *Board approved and signed agreement.* Metropolitan's Board should approve water supply programs used to set the Tier 2 Supply Rate. A water supply program with a signed agreement, approved by Metropolitan's Board provides unrestricted access to the terms and conditions of the agreement. Therefore, all interested parties may obtain information about the water supply programs used to determine the Tier 2 Supply Rate. Unrestricted access to the terms and conditions of water supply

Metropolitan Water District of Southern California
Rates and Charges
Appendix 2 - Tier 2 Supply Rate

programs used to set the Tier 2 Supply Rate reduces any perception of the manipulation of the Tier 2 Supply Rate and allows all interested parties to perform their own calculation of the Tier 2 Supply Rate.

- Certified and completed environmental documentation. Water supply programs used to set the Tier 2 Supply Rate should have certified and uncontested environmental documentation. A water supply program with certified and uncontested environmental documentation has a more certain cost estimate and is therefore better suited for rate setting purposes. Further, without such completed environmental work, the program will not be operable.
- Water transfer programs. Water supply programs used to set the Tier 2 Supply Rate should be water transfer programs.
- Known past benefits and costs and reasonable estimates of future benefits and costs. Water supply programs used to set the Tier 2 Supply Rate should have provided Metropolitan with some supply within the most recent five-year period and be able to provide Metropolitan with some supply within the next five-year period. The benefits and costs of the program for all years prior to the year in which the program is used to calculate the Tier 2 Supply Rate are known. Reasonable estimates of future program costs should be available and uncomplicated by multiple assumptions. Future benefits and costs of the program should be measured through the end of the initial term of the program agreement.

The Imperial Irrigation District/Metropolitan Water District Water Conservation Program, the San Bernardino Valley Municipal Water District Water Transfer Program, and the State Water Project Dry-Year Water Purchase Program meet the above criteria and were therefore used to determine the Tier 2 Supply Rate to be effective January 1, 2003.

Supply program costs

Table 1 summarizes the present value unit costs for the San Bernardino Valley Municipal Water District Water Transfer Program and the Imperial Irrigation District/Metropolitan Water District Conservation Program. The Tier 2 Supply Rate is calculated as a weighted average of the present value of the unit costs for the qualified programs. The program unit cost contributes to the calculation of the Tier 2 Supply Rate in proportion to the amount of benefit (supply) that the program produces. The program unit cost is therefore weighted by the total supply yield of the program.

Metropolitan Water District of Southern California
Rates and Charges
Appendix 2 - Tier 2 Supply Rate

Table 1				
Summary of Weighted Average of Program Unit Costs				
	Relative Unit Value (\$/af)	Present Value of Program Yield (acre-feet)	Percentage of Supply Provided by Programs	Weighted Average Cost of Programs (\$/af)
San Bernardino Valley Municipal Water District Water Transfer Program	\$86	180,000	8%	\$7
State Water Project Dry Year Water Purchase	\$84	80,000	4%	\$3
Imperial Irrigation District/Metropolitan Water District Conservation Program	\$163	1,969,629	88%	\$144
Total		2,229,629	100%	\$154
Tier 2 Supply Rate				\$154

San Bernardino Valley Municipal Water District Water Transfer Program

Program description

In 2001, Metropolitan entered into a storage and transfer agreement with the San Bernardino Valley Municipal Water District (SBVMWD). In the agreement, Metropolitan agreed to purchase a minimum of 20,000 acre-feet of water every year. Metropolitan also has the option to purchase an additional 60,000 acre-feet annually, depending on supply availability. In addition, the agreement allows Metropolitan to store, within SBVMWD's service area, up to 50,000 acre-feet of water for use in a later year.

Assumptions

Escalators and discount rates

The discount rate used to adjust the cost of the San Bernardino Valley Municipal Water District Water Transfer Program is 5.25 percent (the average yield over the last quarter on a 30-year Treasury bond).

Program yield

The unit cost calculation assumes that Metropolitan takes delivery of 20,000 acre-feet per year through 2010.

Metropolitan Water District of Southern California
Rates and Charges
Appendix 2 - Tier 2 Supply Rate

Program costs

Metropolitan agreed to pay a fixed fee of \$105 per acre-foot for this supply. In addition San Bernardino Valley Municipal Water District pays the cost of pumping on the State Water Project and charges Metropolitan \$45 per acre-foot to recover its power costs. The power costs charged to Metropolitan were not included in the unit cost calculation for this transaction because they are not included in the cost of the other water transfer supply programs. Table 2 summarizes the calculation of the unit cost for the San Bernardino Valley Municipal Water District Water Transfer Program.

State Water Project Dry-Year Water Purchase

Program description

In calendar year 2001, Metropolitan purchased 80,000 acre-feet of supply through the State Water Project Dry-Year Water Purchase Program.

Assumptions

Escalators and discount rates

The discount rate used to adjust the cost of the State Water Project Dry-Year Water Purchase is 5.25 percent (the average yield over the last quarter on a 30-year Treasury bond).

Program yield

Metropolitan purchased 80,000 acre-feet through the Dry-Year Purchase Program in 2001.

Program costs

Metropolitan paid \$75 per acre-foot for this water plus a \$5 per acre-foot administrative fee and a \$2,500 documents fee. Table 3 summarizes the unit cost calculation for the Dry-Year Purchase Program.

Imperial Irrigation District/Metropolitan Water District Conservation Program

Program description

In 1988, Metropolitan executed an agreement to fund water efficiency improvements within the Imperial Irrigation District's (IID) service area in return for the right to divert the water conserved by those improvements for a 35-year period following the completion of construction. This program has conserved an average of 108,000 acre-feet in the IID service area for diversion by Metropolitan since 1998.

Metropolitan Water District of Southern California
Rates and Charges
Appendix 2 - Tier 2 Supply Rate

Assumptions

Escalators and discount rates

The discount rate used to adjust the cost of the Imperial Irrigation District/Metropolitan Water District Conservation Program (IID/MWD Conservation Program) is 5.25 percent (the average yield over the last quarter on a 30-year Treasury bond). Annual program operating costs are assumed to escalate at a rate of 2 percent per year.

Program yield

As a result of the conservation efforts in the Imperial Valley that were funded by the IID/MWD Conservation Program, Metropolitan has diverted over 889,000 acre-feet since fiscal year 1989/90. The calculation of the unit cost for the IID/MWD Conservation Program assumes that 108,000 acre-feet per year will be diverted for Metropolitan's use through the remainder of the initial program term.

Program costs

Since fiscal year 1989/90, Metropolitan has paid capital costs of over \$112 million, indirect costs of \$23 million and annual operating costs of over \$38 million. It is estimated that an additional \$327 million in annual operating costs will be paid through the remaining term of the original agreement. Table 4 summarizes the unit cost calculation for the IID/MWD Conservation Program.

Changing the Tier 2 Supply Rate

Significant and material change

Metropolitan's Board will consider the Tier 2 Supply Rate annually as part of its regular rate setting cycle. However, it should be recognized that changes in the Tier 2 Supply Rate will affect the member agencies and the retail water agencies in many ways including long-term planning, investment decisions in local resources, water transfers and conservation, budgeting and rate setting. Therefore, some stability in the Tier 2 Supply Rate is desirable. Changes in the Tier 2 Supply Rate will be driven by significant and material changes in Metropolitan's cost for developing supply and needs to provide incentives for conservation and local resources development.

Table 2
San Bernardino Valley Municipal Water District Water Transfer Program

Year	Program Cost					Program Yield in Acre-Feet
	Fixed Fee	Pumping	Total	Present Value Factor	Present Value	
Escalators and Discount Rates:		2.00%		5.25%		
2002	2,100,000	0	2,100,000	1.000	2,100,000	20,000
2003	2,100,000	0	2,100,000	0.950	1,995,249	20,000
2004	2,100,000	0	2,100,000	0.903	1,895,724	20,000
2005	2,100,000	0	2,100,000	0.858	1,801,163	20,000
2006	2,100,000	0	2,100,000	0.815	1,711,319	20,000
2007	2,100,000	0	2,100,000	0.774	1,625,956	20,000
2008	2,100,000	0	2,100,000	0.736	1,544,851	20,000
2009	2,100,000	0	2,100,000	0.699	1,467,792	20,000
2010	2,100,000	0	2,100,000	0.664	1,394,577	20,000
Total:	\$ 18,900,000	\$ -	\$ 18,900,000		\$ 15,536,631	180,000
Relative Unit Cost (\$/af):						\$86

Table 3
State Water Project Dry Year Water Purchase

Year	Program Cost			Program Yield in Acre-Feet
	Total	Present Value Factor	Present Value (\$2002)	
Escalators and Discount Rates:		5.25%		
2001	\$ 6,402,500	1.053	6,738,631	80,000
2002	0	1.000	0	0
2003	0	0.950	0	0
2004	0	0.903	0	0
2005	0	0.858	0	0
2006	0	0.815	0	0
2007	0	0.774	0	0
2008	0	0.736	0	0
2009	0	0.699	0	0
2010	0	0.664	0	0
Total:	0		6,738,631	80,000
Relative Unit Cost (\$/af):				\$84

**Table 4.
Imperial Irrigation District/Metropolitan Water District Conservation Program**

Year	Program Cost						Program Yield in Acre-Feet
	Capital	Indirect	Annual	Total	Present Value Factor	Present Value	
Escalators and Discount Rates:			2.00%		5.25%		
1990	17,704,102		638,500	18,342,602	1.848	33,894,263	6,110
1991	35,688,000	4,600,000	1,131,000	41,419,000	1.756	72,718,139	26,700
1992	17,870,663	4,600,000	2,258,419	24,729,082	1.668	41,250,483	33,929
1993	10,794,322	4,600,000	2,796,626	18,190,948	1.585	28,830,639	54,830
1994	7,102,626	4,600,000	1,868,772	13,571,398	1.506	20,436,260	72,870
1995	7,063,978	4,600,000	2,782,845	14,446,823	1.431	20,669,363	74,570
1996	6,352,417		1,788,232	8,140,649	1.359	11,066,025	90,880
1997	9,365,229		2,237,944	11,603,173	1.292	14,986,054	97,740
1998	586,522		6,709,103	7,295,625	1.227	8,952,636	107,160
1999			5,235,976	5,235,976	1.166	6,104,695	108,500
2000			5,461,590	5,461,590	1.108	6,050,110	109,460
2001			5,474,433	5,474,433	1.053	5,761,841	106,880
2002			7,322,622	7,322,622	1.000	7,322,622	108,000
2003			5,803,800	5,803,800	0.950	5,514,299	108,000
2004			5,919,876	5,919,876	0.903	5,344,024	108,000
2005			6,038,274	6,038,274	0.858	5,179,007	108,000
2006			6,159,039	6,159,039	0.815	5,019,085	108,000
2007			6,282,220	6,282,220	0.774	4,864,101	108,000
2008			6,407,864	6,407,864	0.736	4,713,903	108,000
2009			6,536,021	6,536,021	0.699	4,568,343	108,000
2010			6,666,742	6,666,742	0.664	4,427,278	108,000
2011			6,800,077	6,800,077	0.631	4,290,569	108,000
2012			7,646,884	7,646,884	0.599	4,584,199	108,000
2013			7,876,291	7,876,291	0.570	4,486,200	108,000
2014			8,112,579	8,112,579	0.541	4,390,295	108,000
2015			8,355,957	8,355,957	0.514	4,296,441	108,000
2016			8,606,636	8,606,636	0.489	4,204,593	108,000
2017			8,864,835	8,864,835	0.464	4,114,708	108,000
2018			9,130,780	9,130,780	0.441	4,026,746	108,000
2019			9,404,703	9,404,703	0.419	3,940,663	108,000
2020			9,686,844	9,686,844	0.398	3,856,421	108,000
2021			9,977,449	9,977,449	0.378	3,773,980	108,000
2022			10,276,773	10,276,773	0.359	3,693,301	108,000
2023			10,585,076	10,585,076	0.341	3,614,347	108,000
2024			10,902,628	10,902,628	0.324	3,537,080	108,000
2025			11,229,707	11,229,707	0.308	3,461,466	108,000
2026			11,566,598	11,566,598	0.293	3,387,468	108,000
2027			11,913,596	11,913,596	0.278	3,315,051	108,000
2028			12,271,004	12,271,004	0.264	3,244,183	108,000
2029			12,639,134	12,639,134	0.251	3,174,830	108,000
2030			13,018,308	13,018,308	0.239	3,106,960	108,000
2031			13,408,858	13,408,858	0.227	3,040,540	108,000
2032			13,811,123	13,811,123	0.215	2,975,541	108,000
2033			14,225,457	14,225,457	0.205	2,911,930	108,000
Total:	112,527,859	23,000,000	102,319,974	237,847,833		321,963,740	1,969,629
Relative Unit Cost (\$/af):							\$163

Appendix 3

***Line Item Invoices by Member Agency
New and Current Rate Structure***

Anaheim

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

Anaheim

Forecast Fiscal Year 2003

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	13,827	\$ 1,009,341	
Tier 2 Purchases	\$154	-	-	
Sub-total supply		13,827	1,009,341	
Shift Contract (counts towards Tier 1 purchases)	\$233	3,838	894,322	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	-	-	
Interim Agriculture Water Program	\$236	-	-	
Sub-total surplus water sales		-	-	
System Access Rate (\$/af)	\$141	13,827	1,949,549	= firm deliveries x rate
System Power Rate (\$/af)	\$89	13,827	1,230,566	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	13,827	318,011	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	3,319	272,151	= treated firm deliveries x rate
Long Term Storage	\$57	-	-	= treated replenishment deliveries x rate
Agriculture Service	\$58	-	-	= treated agricultural deliveries x rate
Shift Contract	\$57	1,690	96,333	= treated shift contract deliveries x rate
Sub-total treatment surcharge		3,319	368,484	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	68	417,215	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		899,741	Based on 2001 estimate
less Standby Charge collections	N/A		(584,534)	
Net RTS Charge Payment (credit)			315,207	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		17,665	\$ 6,502,694	
Average Full Service Unit Cost Paid by Member Agency	\$368			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
Anaheim
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
Water Rates				
Firm Demand				
Full Service	\$349	13,827	\$ 4,825,478	
Seasonal Shift (Non-Contract)	\$289	-	-	
Seasonal Shift (Contract)	\$233	3,838	894,322	
Sub-total firm demands		17,665	5,719,800	
Surplus Water Sales				
Long Term Storage	\$233	-	-	
Agriculture Service	\$236	-	-	
Sub-Total Surplus Water Sales		-	-	
Treatment Surcharge				
Full Service	\$82	3,319	272,151	
Shift Seasonal	\$57	1,690	96,333	
Long Term Storage	\$57	-	-	
Agriculture Service	\$58	-	-	
		5,009	368,484	
Connection Maintenance Charge				
			62,700	
RTS Charge (net of Standby Charge collections)				
			404,882	
Cost Paid by Member Agency				
Average Full Service Unit Cost Paid by Member Agency	\$371	17,665	\$ 6,555,866	

Beverly Hills

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

Beverly Hills

Forecast Fiscal Year 2003

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	12,981	\$ 947,622	
Tier 2 Purchases	\$154	-	-	
Sub-total supply		12,981	947,622	
Shift Contract (counts towards Tier 1 purchases)	\$233	-	-	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	-	-	
Interim Agriculture Water Program	\$236	-	-	
Sub-total surplus water sales		-	-	
System Access Rate (\$/af)	\$141	12,981	1,830,338	= firm deliveries x rate
System Power Rate (\$/af)	\$89	12,981	1,155,320	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	12,981	298,566	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	12,981	1,064,452	= treated firm deliveries x rate
Long Term Storage	\$57	-	-	= treated replenishment deliveries x rate
Agriculture Service	\$58	-	-	= treated agricultural deliveries x rate
Shift Contract	\$57	-	-	= treated shift contract deliveries x rate
Sub-total treatment surcharge		12,981	1,064,452	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	35	213,655	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		703,421	Based on 2001 estimate
less Standby Charge collections	N/A		-	
Net RTS Charge Payment (credit)			703,421	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		12,981	\$ 6,213,373	
Average Full Service Unit Cost Paid by Member Agency	\$479			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
Beverly Hills
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
<i>Water Rates</i>				
Firm Demand				
Full Service	\$349	12,981	\$ 4,530,410	
Seasonal Shift (Non-Contract)	\$289	-	-	
Seasonal Shift (Contract)	\$233	-	-	
Sub-total firm demands		12,981	4,530,410	
Surplus Water Sales				
Long Term Storage	\$233	-	-	
Agriculture Service	\$236	-	-	
Sub-Total Surplus Water Sales		-	-	
<i>Treatment Surcharge</i>				
Full Service	\$82	12,981	1,064,452	
Shift Seasonal	\$57	-	-	
Long Term Storage	\$57	-	-	
Agriculture Service	\$58	-	-	
		12,981	1,064,452	
<i>Connection Maintenance Charge</i>				
			20,100	
<i>RTS Charge (net of Standby Charge collections)</i>				
			684,379	
<i>Cost Paid by Member Agency</i>				
<i>Average Full Service Unit Cost Paid by Member Agency</i>	\$485	12,981	\$ 6,299,340	

Burbank

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

**Burbank
Forecast Fiscal Year 2003**

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	9,811	\$ 716,227	
Tier 2 Purchases	\$154	-	-	
Sub-total supply		9,811	716,227	
Shift Contract (counts towards Tier 1 purchases)	\$233	-	-	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	-	-	
Interim Agriculture Water Program	\$236	-	-	
Sub-total surplus water sales		-	-	
System Access Rate (\$/af)	\$141	9,811	1,383,397	= firm deliveries x rate
System Power Rate (\$/af)	\$89	9,811	873,208	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	9,811	225,661	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	9,811	804,529	= treated firm deliveries x rate
Long Term Storage	\$57	-	-	= treated replenishment deliveries x rate
Agriculture Service	\$58	-	-	= treated agricultural deliveries x rate
Shift Contract	\$57	-	-	= treated shift contract deliveries x rate
Sub-total treatment surcharge		9,811	804,529	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	56	341,713	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		777,140	
less Standby Charge collections	N/A		(399,012)	Based on 2001 estimate
Net RTS Charge Payment (credit)			378,128	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		9,811	\$ 4,722,864	
Average Full Service Unit Cost Paid by Member Agency	\$481			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
Burbank
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
<i>Water Rates</i>				
Firm Demand				
Full Service	\$349	9,811	\$ 3,424,154	
Seasonal Shift (Non-Contract)	\$289	-	-	
Seasonal Shift (Contract)	\$233	-	-	
Sub-total firm demands		9,811	3,424,154	
Surplus Water Sales				
Long Term Storage	\$233	-	-	
Agriculture Service	\$236	-	-	
Sub-Total Surplus Water Sales		-	-	
<i>Treatment Surcharge</i>				
Full Service	\$82	9,811	804,529	
Shift Seasonal	\$57	-	-	
Long Term Storage	\$57	-	-	
Agriculture Service	\$58	-	-	
		9,811	804,529	
<i>Connection Maintenance Charge</i>				
			39,300	
<i>RTS Charge (net of Standby Charge collections)</i>				
			474,799	
<i>Cost Paid by Member Agency</i>				
<i>Average Full Service Unit Cost Paid by Member Agency</i>				
	\$483	9,811	\$ 4,742,782	

Calleguas

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

Calleguas

Forecast Fiscal Year 2003

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	100,021	\$ 7,301,504	
Tier 2 Purchases	\$154	14,757	2,272,652	
Sub-total supply		114,778	9,574,156	
Shift Contract (counts towards Tier 1 purchases)	\$233	-	-	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	984	229,315	
Interim Agriculture Water Program	\$236	5,508	1,299,882	
Sub-total surplus water sales		6,492	1,529,197	
System Access Rate (\$/af)	\$141	114,778	16,183,709	= firm deliveries x rate
System Power Rate (\$/af)	\$89	114,778	10,215,249	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	114,778	2,639,896	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	114,778	9,411,802	= treated firm deliveries x rate
Long Term Storage	\$57	984	56,099	= treated replenishment deliveries x rate
Agriculture Service	\$58	5,508	319,463	= treated agricultural deliveries x rate
Shift Contract	\$57	-	-	= treated shift contract deliveries x rate
Sub-total treatment surcharge		121,270	9,787,364	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	282	1,719,929	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		4,902,570	Based on 2001 estimate
less Standby Charge collections	N/A		(2,365,453)	
Net RTS Charge Payment (credit)			2,537,117	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		121,270	\$ 54,186,617	
Average Full Service Unit Cost Paid by Member Agency	\$447			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
Calleguas
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
Water Rates				
Firm Demand				
Full Service	\$349	111,015	\$ 38,744,295	
Seasonal Shift (Non-Contract)	\$289	3,763	1,087,480	
Seasonal Shift (Contract)	\$233	-	-	
Sub-total firm demands		114,778	39,831,775	
Surplus Water Sales				
Long Term Storage	\$233	984	229,315	
Agriculture Service	\$236	5,508	1,299,882	
Sub-Total Surplus Water Sales		6,492	1,529,197	
Treatment Surcharge				
Full Service	\$82	111,015	9,103,244	
Shift Seasonal	\$57	3,763	214,486	
Long Term Storage	\$57	984	56,099	
Agriculture Service	\$58	5,508	319,463	
		121,270	9,693,291	
Connection Maintenance Charge				
RTS Charge (net of Standby Charge collections)			96,900	
			2,280,399	
Cost Paid by Member Agency		121,270	\$ 53,431,562	
Average Full Service Unit Cost Paid by Member Agency	\$441			

Central Basin

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

Central Basin

Forecast Fiscal Year 2003

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	68,095	\$ 4,970,913	
Tier 2 Purchases	\$154	-	-	
Sub-total supply		68,095	4,970,913	
Shift Contract (counts towards Tier 1 purchases)	\$233	-	-	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	21,462	5,000,562	
Interim Agriculture Water Program	\$236	-	-	
Sub-total surplus water sales		21,462	5,000,562	
System Access Rate (\$/af)	\$141	68,095	9,601,353	= firm deliveries x rate
System Power Rate (\$/af)	\$89	68,095	6,060,429	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	68,095	1,566,178	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	68,090	5,583,365	= treated firm deliveries x rate
Long Term Storage	\$57	7,668	437,060	= treated replenishment deliveries x rate
Agriculture Service	\$58	-	-	= treated agricultural deliveries x rate
Shift Contract	\$57	-	-	= treated shift contract deliveries x rate
Sub-total treatment surcharge		75,758	6,020,425	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	147	894,771	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		3,355,613	Based on 2001 estimate
less Standby Charge collections	N/A		(3,538,689)	
Net RTS Charge Payment (credit)			(183,076)	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		89,556	\$ 33,931,555	
Average Full Service Unit Cost Paid by Member Agency	\$379			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
Central Basin
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
<i>Water Rates</i>				
Firm Demand				
Full Service	\$349	66,312	\$ 23,142,792	
Seasonal Shift (Non-Contract)	\$289	1,783	515,281	
Seasonal Shift (Contract)	\$233	-	-	
Sub-total firm demands		68,095	23,658,073	
Surplus Water Sales				
Long Term Storage	\$233	21,462	5,000,562	
Agriculture Service	\$236	-	-	
Sub-Total Surplus Water Sales		21,462	5,000,562	
<i>Treatment Surcharge</i>				
Full Service	\$82	66,307	5,437,160	
Shift Seasonal	\$57	1,783	101,630	
Long Term Storage	\$57	7,668	437,060	
Agriculture Service	\$58	-	-	
		75,758	5,975,850	
<i>Connection Maintenance Charge</i>				
			272,550	
<i>RTS Charge (net of Standby Charge collections)</i>				
			112,828	
<i>Cost Paid by Member Agency</i>				
<i>Average Full Service Unit Cost Paid by Member Agency</i>				
	\$391	89,556	\$ 35,019,863	

Compton

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

**Compton
Forecast Fiscal Year 2003**

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	4,529	\$ 330,605	
Tier 2 Purchases	\$154	-	-	
Sub-total supply		4,529	330,605	
Shift Contract (counts towards Tier 1 purchases)	\$233	-	-	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	-	-	
Interim Agriculture Water Program	\$236	-	-	
Sub-total surplus water sales		-	-	
System Access Rate (\$/af)	\$141	4,529	638,567	= firm deliveries x rate
System Power Rate (\$/af)	\$89	4,529	403,067	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	4,529	104,163	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	4,529	371,365	= treated firm deliveries x rate
Long Term Storage	\$57	-	-	= treated replenishment deliveries x rate
Agriculture Service	\$58	-	-	= treated agricultural deliveries x rate
Shift Contract	\$57	-	-	= treated shift contract deliveries x rate
Sub-total treatment surcharge		4,529	371,365	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	12	73,256	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		217,119	
less Standby Charge collections	N/A		(161,526)	Based on 2001 estimate
Net RTS Charge Payment (credit)			55,593	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		4,529	\$ 1,976,617	
Average Full Service Unit Cost Paid by Member Agency	\$436			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
Compton
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
<i>Water Rates</i>				
Firm Demand				
Full Service	\$349	4,529	\$ 1,580,566	
Seasonal Shift (Non-Contract)	\$289	-	-	
Seasonal Shift (Contract)	\$233	-	-	
Sub-total firm demands		4,529	1,580,566	
Surplus Water Sales				
Long Term Storage	\$233	-	-	
Agriculture Service	\$236	-	-	
Sub-Total Surplus Water Sales		-	-	
<i>Treatment Surcharge</i>				
Full Service	\$82	4,529	371,365	
Shift Seasonal	\$57	-	-	
Long Term Storage	\$57	-	-	
Agriculture Service	\$58	-	-	
		4,529	371,365	
<i>Connection Maintenance Charge</i>				
			11,100	
<i>RTS Charge (net of Standby Charge collections)</i>				
			35,469	
<i>Cost Paid by Member Agency</i>				
<i>Average Full Service Unit Cost Paid by Member Agency</i>	\$441	4,529	\$ 1,998,500	

Eastern

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

Eastern
Forecast Fiscal Year 2003

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	70,521	\$ 5,148,055	
Tier 2 Purchases	\$154	3,089	475,742	
Sub-total supply		73,611	5,623,797	
Shift Contract (counts towards Tier 1 purchases)	\$233	-	-	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	13,348	3,110,084	
Interim Agriculture Water Program	\$236	2,730	644,388	
Sub-total surplus water sales		16,078	3,754,472	
System Access Rate (\$/af)	\$141	73,611	10,379,086	= firm deliveries x rate
System Power Rate (\$/af)	\$89	73,611	6,551,338	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	73,611	1,693,042	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	61,025	5,004,070	= treated firm deliveries x rate
Long Term Storage	\$57	2,525	143,927	= treated replenishment deliveries x rate
Agriculture Service	\$58	2,638	153,007	= treated agricultural deliveries x rate
Shift Contract	\$57	-	-	= treated shift contract deliveries x rate
Sub-total treatment surcharge		66,188	5,301,004	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	188	1,144,032	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		2,960,520	Based on 2001 estimate
less Standby Charge collections	N/A		(2,610,863)	
Net RTS Charge Payment (credit)			349,657	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		89,689	\$ 34,796,428	
Average Full Service Unit Cost Paid by Member Agency	\$388			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
Eastern
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
Water Rates				
Firm Demand				
Full Service	\$349	71,230	\$ 24,859,250	
Seasonal Shift (Non-Contract)	\$289	2,381	687,992	
Seasonal Shift (Contract)	\$233	-	-	
Sub-total firm demands		73,611	25,547,241	
Surplus Water Sales				
Long Term Storage	\$233	13,348	3,110,084	
Agriculture Service	\$236	2,730	644,388	
Sub-Total Surplus Water Sales		16,078	3,754,472	
Treatment Surcharge				
Full Service	\$82	58,922	4,831,645	
Shift Seasonal	\$57	2,103	119,856	
Long Term Storage	\$57	2,525	143,927	
Agriculture Service	\$58	2,638	153,007	
		66,188	5,248,436	
Connection Maintenance Charge				
RTS Charge (net of Standby Charge collections)			140,100	
			(59,714)	
Cost Paid by Member Agency				
Average Full Service Unit Cost Paid by Member Agency	\$386	89,689	\$ 34,630,536	

Foothill

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

Foothill

Forecast Fiscal Year 2003

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	10,243	\$ 747,732	
Tier 2 Purchases	\$154	79	12,231	
Sub-total supply		10,322	759,963	
Shift Contract (counts towards Tier 1 purchases)	\$233	-	-	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	477	111,112	
Interim Agriculture Water Program	\$236	-	-	
Sub-total surplus water sales		477	111,112	
System Access Rate (\$/af)	\$141	10,322	1,455,447	= firm deliveries x rate
System Power Rate (\$/af)	\$89	10,322	918,687	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	10,322	237,413	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	10,322	846,430	= treated firm deliveries x rate
Long Term Storage	\$57	477	27,182	= treated replenishment deliveries x rate
Agriculture Service	\$58	-	-	= treated agricultural deliveries x rate
Shift Contract	\$57	-	-	= treated shift contract deliveries x rate
Sub-total treatment surcharge		10,799	873,612	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	25	153,375	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		480,172	
less Standby Charge collections	N/A		(310,042)	Based on 2001 estimate
Net RTS Charge Payment (credit)			170,130	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		10,799	\$ 4,679,740	
Average Full Service Unit Cost Paid by Member Agency	\$433			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE

Foothill Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
<i>Water Rates</i>				
Firm Demand				
Full Service	\$349	9,361	\$ 3,266,846	
Seasonal Shift (Non-Contract)	\$289	962	277,940	
Seasonal Shift (Contract)	\$233	-	-	
Sub-total firm demands		10,322	3,544,786	
Surplus Water Sales				
Long Term Storage	\$233	477	111,112	
Agriculture Service	\$236	-	-	
Sub-Total Surplus Water Sales		477	111,112	
<i>Treatment Surcharge</i>				
Full Service	\$82	9,361	767,568	
Shift Seasonal	\$57	962	54,819	
Long Term Storage	\$57	477	27,182	
Agriculture Service	\$58	-	-	
		10,799	849,569	
<i>Connection Maintenance Charge</i>				
			16,200	
<i>RTS Charge (net of Standby Charge collections)</i>				
			110,972	
<i>Cost Paid by Member Agency</i>				
<i>Average Full Service Unit Cost Paid by Member Agency</i>	\$429	10,799	\$ 4,632,639	

Fullerton

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

Fullerton

Forecast Fiscal Year 2003

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	8,310	\$ 606,621	
Tier 2 Purchases	\$154	-	-	
Sub-total supply		8,310	606,621	
Shift Contract (counts towards Tier 1 purchases)	\$233	-	-	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	-	-	
Interim Agriculture Water Program	\$236	17	3,982	
Sub-total surplus water sales		17	3,982	
System Access Rate (\$/af)	\$141	8,310	1,171,693	= firm deliveries x rate
System Power Rate (\$/af)	\$89	8,310	739,579	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	8,310	191,127	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	8,310	681,410	= treated firm deliveries x rate
Long Term Storage	\$57	-	-	= treated replenishment deliveries x rate
Agriculture Service	\$58	17	979	= treated agricultural deliveries x rate
Shift Contract	\$57	-	-	= treated shift contract deliveries x rate
Sub-total treatment surcharge		8,327	682,389	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	31	190,484	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		388,734	Based on 2001 estimate
less Standby Charge collections	N/A		(356,690)	
Net RTS Charge Payment (credit)			32,044	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		8,327	\$ 3,617,919	
Average Full Service Unit Cost Paid by Member Agency	\$434			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
Fullerton
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
<i>Water Rates</i>				
Firm Demand				
Full Service	\$349	8,310	\$ 2,900,149	
Seasonal Shift (Non-Contract)	\$289	-	-	
Seasonal Shift (Contract)	\$233	-	-	
Sub-total firm demands		8,310	2,900,149	
Surplus Water Sales				
Long Term Storage	\$233	-	-	
Agriculture Service	\$236	17	3,982	
Sub-Total Surplus Water Sales		17	3,982	
<i>Treatment Surcharge</i>				
Full Service	\$82	8,310	681,410	
Shift Seasonal	\$57	-	-	
Long Term Storage	\$57	-	-	
Agriculture Service	\$58	17	979	
		8,327	682,389	
<i>Connection Maintenance Charge</i>			32,100	
<i>RTS Charge (net of Standby Charge collections)</i>			37,670	
<i>Cost Paid by Member Agency</i>			\$ 3,656,289	
<i>Average Full Service Unit Cost Paid by Member Agency</i>		\$439		

Glendale

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

Glendale

Forecast Fiscal Year 2003

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	24,717	\$ 1,804,319	
Tier 2 Purchases	\$154	-	-	
Sub-total supply		24,717	1,804,319	
Shift Contract (counts towards Tier 1 purchases)	\$233	-	-	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	-	-	
Interim Agriculture Water Program	\$236	-	-	
Sub-total surplus water sales		-	-	
System Access Rate (\$/af)	\$141	24,717	3,485,055	= firm deliveries x rate
System Power Rate (\$/af)	\$89	24,717	2,199,786	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	24,717	568,484	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	24,717	2,026,769	= treated firm deliveries x rate
Long Term Storage	\$57	-	-	= treated replenishment deliveries x rate
Agriculture Service	\$58	-	-	= treated agricultural deliveries x rate
Shift Contract	\$57	-	-	= treated shift contract deliveries x rate
Sub-total treatment surcharge		24,717	2,026,769	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	64	389,595	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		1,430,316	Based on 2001 estimate
less Standby Charge collections	N/A		(544,607)	
Net RTS Charge Payment (credit)			885,709	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		24,717	\$ 11,359,718	
Average Full Service Unit Cost Paid by Member Agency	\$460			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
Glendale
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
<i>Water Rates</i>				
Firm Demand				
Full Service	\$349	24,717	\$ 8,626,129	
Seasonal Shift (Non-Contract)	\$289	-	-	
Seasonal Shift (Contract)	\$233	-	-	
Sub-total firm demands		24,717	8,626,129	
Surplus Water Sales				
Long Term Storage	\$233	-	-	
Agriculture Service	\$236	-	-	
Sub-Total Surplus Water Sales		-	-	
<i>Treatment Surcharge</i>				
Full Service	\$82	24,717	2,026,769	
Shift Seasonal	\$57	-	-	
Long Term Storage	\$57	-	-	
Agriculture Service	\$58	-	-	
		24,717	2,026,769	
<i>Connection Maintenance Charge</i>			39,300	
<i>RTS Charge (net of Standby Charge collections)</i>			854,506	
<i>Cost Paid by Member Agency</i>			\$ 11,546,704	
<i>Average Full Service Unit Cost Paid by Member Agency</i>		\$467		

Inland Empire

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

**Inland Empire
Forecast Fiscal Year 2003**

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	52,383	\$ 3,823,937	
Tier 2 Purchases	\$154	1,562	240,572	
Sub-total supply		53,945	4,064,509	
Shift Contract (counts towards Tier 1 purchases)	\$233	-	-	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	3,855	898,178	
Interim Agriculture Water Program	\$236	30	7,085	
Sub-total surplus water sales		3,885	905,263	
System Access Rate (\$/af)	\$141	53,945	7,606,225	= firm deliveries x rate
System Power Rate (\$/af)	\$89	53,945	4,801,092	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	53,945	1,240,732	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	-	-	= treated firm deliveries x rate
Long Term Storage	\$57	-	-	= treated replenishment deliveries x rate
Agriculture Service	\$58	-	-	= treated agricultural deliveries x rate
Shift Contract	\$57	-	-	= treated shift contract deliveries x rate
Sub-total treatment surcharge		-	-	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	147	894,716	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		2,192,430	Based on 2001 estimate
less Standby Charge collections	N/A		(1,685,784)	
Net RTS Charge Payment (credit)			506,646	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		57,830	\$ 20,019,183	
Average Full Service Unit Cost Paid by Member Agency	\$346			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
Inland Empire
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
<i>Water Rates</i>				
Firm Demand				
Full Service	\$349	53,400	\$ 18,636,552	
Seasonal Shift (Non-Contract)	\$289	545	157,503	
Seasonal Shift (Contract)	\$233	-	-	
Sub-total firm demands		53,945	18,794,055	
Surplus Water Sales				
Long Term Storage	\$233	3,855	898,178	
Agriculture Service	\$236	30	7,085	
Sub-Total Surplus Water Sales		3,885	905,263	
<i>Treatment Surcharge</i>				
Full Service	\$82	-	-	
Shift Seasonal	\$57	-	-	
Long Term Storage	\$57	-	-	
Agriculture Service	\$58	-	-	
		-	-	
<i>Connection Maintenance Charge</i>				
			106,800	
<i>RTS Charge (net of Standby Charge collections)</i>				
			131,804	
<i>Cost Paid by Member Agency</i>				
		57,830	\$ 19,937,922	
<i>Average Full Service Unit Cost Paid by Member Agency</i>				
		\$345		

Las Virgenes

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

Las Virgenes
Forecast Fiscal Year 2003

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	20,553	\$ 1,500,391	
Tier 2 Purchases	\$154	2,125	327,306	
Sub-total supply		22,679	1,827,697	
Shift Contract (counts towards Tier 1 purchases)	\$233	-	-	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	-	-	
Interim Agriculture Water Program	\$236	-	-	
Sub-total surplus water sales		-	-	
System Access Rate (\$/af)	\$141	22,679	3,197,691	= firm deliveries x rate
System Power Rate (\$/af)	\$89	22,679	2,018,401	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	22,679	521,609	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	22,679	1,859,650	= treated firm deliveries x rate
Long Term Storage	\$57	-	-	= treated replenishment deliveries x rate
Agriculture Service	\$58	-	-	= treated agricultural deliveries x rate
Shift Contract	\$57	-	-	= treated shift contract deliveries x rate
Sub-total treatment surcharge		22,679	1,859,650	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	46	282,645	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		1,017,305	Based on 2001 estimate
less Standby Charge collections	N/A		(504,488)	
Net RTS Charge Payment (credit)			512,817	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		22,679	\$ 10,220,510	
Average Full Service Unit Cost Paid by Member Agency	\$451			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
Las Virgenes
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
Water Rates				
Firm Demand				
Full Service	\$349	19,742	\$ 6,889,861	
Seasonal Shift (Non-Contract)	\$289	2,937	848,776	
Seasonal Shift (Contract)	\$233	-	-	
Sub-total firm demands		22,679	7,738,637	
Surplus Water Sales				
Long Term Storage	\$233	-	-	
Agriculture Service	\$236	-	-	
Sub-Total Surplus Water Sales		-	-	
Treatment Surcharge				
Full Service	\$82	19,742	1,618,821	
Shift Seasonal	\$57	2,937	167,406	
Long Term Storage	\$57	-	-	
Agriculture Service	\$58	-	-	
		22,679	1,786,227	
Connection Maintenance Charge				
			29,400	
RTS Charge (net of Standby Charge collections)			448,174	
Cost Paid by Member Agency				
		22,679	\$ 10,002,437	
Average Full Service Unit Cost Paid by Member Agency				
		\$441		

Long Beach

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

Long Beach

Forecast Fiscal Year 2003

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	32,815	\$ 2,395,487	
Tier 2 Purchases	\$154	1,283	197,648	
Sub-total supply		34,098	2,593,135	
Shift Contract (counts towards Tier 1 purchases)	\$233	6,656	1,550,943	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	4,979	1,160,137	
Interim Agriculture Water Program	\$236	-	-	
Sub-total surplus water sales		4,979	1,160,137	
System Access Rate (\$/af)	\$141	34,098	4,807,863	= firm deliveries x rate
System Power Rate (\$/af)	\$89	34,098	3,034,751	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	34,098	784,261	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	34,098	2,796,062	= treated firm deliveries x rate
Long Term Storage	\$57	4,979	283,810	= treated replenishment deliveries x rate
Agriculture Service	\$58	-	-	= treated agricultural deliveries x rate
Shift Contract	\$57	6,656	379,415	= treated shift contract deliveries x rate
Sub-total treatment surcharge		39,077	3,459,288	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	101	617,139	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		1,998,842	Based on 2001 estimate
less Standby Charge collections	N/A		(1,073,234)	
Net RTS Charge Payment (credit)			925,608	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		45,734	\$ 18,933,124	
Average Full Service Unit Cost Paid by Member Agency	\$414			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
Long Beach
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
<i>Water Rates</i>				
Firm Demand				
Full Service	\$349	34,098	\$ 11,900,314	
Seasonal Shift (Non-Contract)	\$289	-	-	
Seasonal Shift (Contract)	\$233	6,656	1,550,943	
Sub-total firm demands		40,755	13,451,257	
Surplus Water Sales				
Long Term Storage	\$233	4,979	1,160,137	
Agriculture Service	\$236	-	-	
Sub-Total Surplus Water Sales		4,979	1,160,137	
<i>Treatment Surcharge</i>				
Full Service	\$82	34,098	2,796,062	
Shift Seasonal	\$57	6,656	379,415	
Long Term Storage	\$57	4,979	283,810	
Agriculture Service	\$58	-	-	
		45,734	3,459,288	
<i>Connection Maintenance Charge</i>				
			99,000	
<i>RTS Charge (net of Standby Charge collections)</i>			1,176,421	
<i>Cost Paid by Member Agency</i>				
		45,734	\$ 19,346,102	
<i>Average Full Service Unit Cost Paid by Member Agency</i>				
		\$423		

Los Angeles

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

Los Angeles

Forecast Fiscal Year 2003

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	228,356	\$ 16,670,023	
Tier 2 Purchases	\$154	-	-	
Sub-total supply		228,356	16,670,023	
Shift Contract (counts towards Tier 1 purchases)	\$233	-	-	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	17,736	4,132,449	
Interim Agriculture Water Program	\$236	-	-	
Sub-total surplus water sales		17,736	4,132,449	
System Access Rate (\$/af)	\$141	228,356	32,198,264	= firm deliveries x rate
System Power Rate (\$/af)	\$89	228,356	20,323,727	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	228,356	5,252,199	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	54,129	4,438,548	= treated firm deliveries x rate
Long Term Storage	\$57	1,323	75,429	= treated replenishment deliveries x rate
Agriculture Service	\$58	-	-	= treated agricultural deliveries x rate
Shift Contract	\$57	-	-	= treated shift contract deliveries x rate
Sub-total treatment surcharge		55,452	4,513,977	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	600	3,660,000	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		9,553,407	Based on 2001 estimate
less Standby Charge collections	N/A		-	
Net RTS Charge Payment (credit)			9,553,407	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		246,092	\$ 96,304,046	
Average Full Service Unit Cost Paid by Member Agency	\$391			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
Los Angeles
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
<i>Water Rates</i>				
Firm Demand				
Full Service	\$349	213,363	\$ 74,463,765	
Seasonal Shift (Non-Contract)	\$289	14,993	4,333,052	
Seasonal Shift (Contract)	\$233	-	-	
Sub-total firm demands		228,356	78,796,817	
Surplus Water Sales				
Long Term Storage	\$233	17,736	4,132,449	
Agriculture Service	\$236	-	-	
Sub-Total Surplus Water Sales		17,736	4,132,449	
<i>Treatment Surcharge</i>				
Full Service	\$82	50,021	4,101,697	
Shift Seasonal	\$57	4,108	234,152	
Long Term Storage	\$57	1,323	75,429	
Agriculture Service	\$58	-	-	
		55,452	4,411,278	
<i>Connection Maintenance Charge</i>				
			304,500	
<i>RTS Charge (net of Standby Charge collections)</i>			8,684,696	
<i>Cost Paid by Member Agency</i>				
		246,092	\$ 96,329,740	
<i>Average Full Service Unit Cost Paid by Member Agency</i>				
		\$391		

MWDOC

LINE ITEM INVOICE FOR NEW RATE STRUCTURE
MWDOC
Forecast Fiscal Year 2003

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	205,539	\$ 15,004,379	
Tier 2 Purchases	\$154	11,524	1,774,697	
Sub-total supply		217,063	16,779,076	
Shift Contract (counts towards Tier 1 purchases)	\$233	17,297	4,030,192	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	47,547	11,078,511	
Interim Agriculture Water Program	\$236	1,706	402,635	
Sub-total surplus water sales		49,253	11,481,146	
System Access Rate (\$/af)	\$141	217,063	30,605,946	= firm deliveries x rate
System Power Rate (\$/af)	\$89	217,063	19,318,647	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	217,063	4,992,459	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	212,714	17,442,576	= treated firm deliveries x rate
Long Term Storage	\$57	2,055	117,148	= treated replenishment deliveries x rate
Agriculture Service	\$58	1,226	71,120	= treated agricultural deliveries x rate
Shift Contract	\$57	14,244	811,902	= treated shift contract deliveries x rate
Sub-total treatment surcharge		215,996	18,442,746	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	595	3,632,205	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		11,170,343	Based on 2001 estimate
less Standby Charge collections	N/A		(7,089,214)	
Net RTS Charge Payment (credit)			4,081,129	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		283,614	\$ 113,363,546	
Average Full Service Unit Cost Paid by Member Agency	\$400			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
MWDOC
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
Water Rates				
Firm Demand				
Full Service	\$349	214,600	\$ 74,895,549	
Seasonal Shift (Non-Contract)	\$289	2,463	711,812	
Seasonal Shift (Contract)	\$233	17,297	4,030,192	
Sub-total firm demands		234,360	79,637,553	
Surplus Water Sales				
Long Term Storage	\$233	47,547	11,078,511	
Agriculture Service	\$236	1,706	402,635	
Sub-Total Surplus Water Sales		49,253	11,481,146	
Treatment Surcharge				
Full Service	\$82	210,686	17,276,257	
Shift Seasonal	\$57	16,272	927,514	
Long Term Storage	\$57	2,055	117,148	
Agriculture Service	\$58	1,226	71,120	
		230,240	18,392,039	
Connection Maintenance Charge				
RTS Charge (net of Standby Charge collections)			594,600	
			4,415,390	
Cost Paid by Member Agency				
Average Full Service Unit Cost Paid by Member Agency	\$404	283,614	\$ 114,520,729	

Pasadena

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

**Pasadena
Forecast Fiscal Year 2003**

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	21,180	\$ 1,546,118	
Tier 2 Purchases	\$154	768	118,231	
Sub-total supply		21,947	1,664,349	
Shift Contract (counts towards Tier 1 purchases)	\$233	-	-	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	-	-	
Interim Agriculture Water Program	\$236	-	-	
Sub-total surplus water sales		-	-	
System Access Rate (\$/af)	\$141	21,947	3,094,588	= firm deliveries x rate
System Power Rate (\$/af)	\$89	21,947	1,953,321	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	21,947	504,791	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	21,947	1,799,689	= treated firm deliveries x rate
Long Term Storage	\$57	-	-	= treated replenishment deliveries x rate
Agriculture Service	\$58	-	-	= treated agricultural deliveries x rate
Shift Contract	\$57	-	-	= treated shift contract deliveries x rate
Sub-total treatment surcharge		21,947	1,799,689	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	58	355,826	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		799,288	
less Standby Charge collections	N/A		(430,320)	Based on 2001 estimate
Net RTS Charge Payment (credit)			368,968	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		21,947	\$ 9,741,533	
Average Full Service Unit Cost Paid by Member Agency	\$444			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
Pasadena
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
Water Rates				
Firm Demand				
Full Service	\$349	16,908	\$ 5,901,035	
Seasonal Shift (Non-Contract)	\$289	5,039	1,456,277	
Seasonal Shift (Contract)	\$233	-	-	
Sub-total firm demands		21,947	7,357,312	
Surplus Water Sales				
Long Term Storage	\$233	-	-	
Agriculture Service	\$236	-	-	
Sub-Total Surplus Water Sales		-	-	
Treatment Surcharge				
Full Service	\$82	16,908	1,386,490	
Shift Seasonal	\$57	5,039	287,224	
Long Term Storage	\$57	-	-	
Agriculture Service	\$58	-	-	
		21,947	1,673,714	
Connection Maintenance Charge				
			55,800	
RTS Charge (net of Standby Charge collections)				
			353,640	
Cost Paid by Member Agency				
Average Full Service Unit Cost Paid by Member Agency	\$430	21,947	\$ 9,440,466	

San Diego

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

San Diego

Forecast Fiscal Year 2003

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	447,035	\$ 32,633,584	
Tier 2 Purchases	\$154	34,469	5,308,234	
Sub-total supply		481,504	37,941,818	
Shift Contract (counts towards Tier 1 purchases)	\$233	-	-	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	-	-	
Interim Agriculture Water Program	\$236	72,921	17,209,421	
Sub-total surplus water sales		72,921	17,209,421	
System Access Rate (\$/af)	\$141	481,504	67,892,128	= firm deliveries x rate
System Power Rate (\$/af)	\$89	481,504	42,853,896	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	481,504	11,074,602	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	186,953	15,330,148	= treated firm deliveries x rate
Long Term Storage	\$57	-	-	= treated replenishment deliveries x rate
Agriculture Service	\$58	61,338	3,557,581	= treated agricultural deliveries x rate
Shift Contract	\$57	-	-	= treated shift contract deliveries x rate
Sub-total treatment surcharge		248,291	18,887,729	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	1,120	6,833,920	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		21,024,972	Based on 2001 estimate
less Standby Charge collections	N/A		(12,225,636)	
Net RTS Charge Payment (credit)			8,799,336	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		554,426	\$ 211,492,851	
Average Full Service Unit Cost Paid by Member Agency	\$381			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
San Diego
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
<i>Water Rates</i>				
Firm Demand				
Full Service	\$349	445,443	\$ 155,459,765	
Seasonal Shift (Non-Contract)	\$289	36,061	10,421,629	
Seasonal Shift (Contract)	\$233	-	-	
Sub-total firm demands		481,504	165,881,394	
Surplus Water Sales				
Long Term Storage	\$233	-	-	
Agriculture Service	\$236	72,921	17,209,421	
Sub-Total Surplus Water Sales		72,921	17,209,421	
<i>Treatment Surcharge</i>				
Full Service	\$82	180,851	14,829,808	
Shift Seasonal	\$57	6,102	347,798	
Long Term Storage	\$57	-	-	
Agriculture Service	\$58	61,338	3,557,581	
		248,291	18,735,186	
<i>Connection Maintenance Charge</i>				
<i>RTS Charge (net of Standby Charge collections)</i>			293,700	
			9,323,960	
<i>Cost Paid by Member Agency</i>				
<i>Average Full Service Unit Cost Paid by Member Agency</i>		\$381	\$ 211,443,661	

San Fernando

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

San Fernando

Forecast Fiscal Year 2003

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	27	\$ 1,938	
Tier 2 Purchases	\$154	-	-	
Sub-total supply		27	1,938	
Shift Contract (counts towards Tier 1 purchases)	\$233	-	-	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	4	862	
Interim Agriculture Water Program	\$236	-	-	
Sub-total surplus water sales		4	862	
System Access Rate (\$/af)	\$141	27	3,743	= firm deliveries x rate
System Power Rate (\$/af)	\$89	27	2,363	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	27	611	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	27	2,177	= treated firm deliveries x rate
Long Term Storage	\$57	4	211	= treated replenishment deliveries x rate
Agriculture Service	\$58	-	-	= treated agricultural deliveries x rate
Shift Contract	\$57	-	-	= treated shift contract deliveries x rate
Sub-total treatment surcharge		30	2,388	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	1	6,100	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		6,690	Based on 2001 estimate
less Standby Charge collections	N/A		(40,444)	
Net RTS Charge Payment (credit)			(33,754)	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		30	\$ (15,749)	
Average Full Service Unit Cost Paid by Member Agency	-\$521			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
San Fernando
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
Water Rates				
Firm Demand				
Full Service	\$349	6	\$ 1,951	
Seasonal Shift (Non-Contract)	\$289	21	6,057	
Seasonal Shift (Contract)	\$233	-	-	
Sub-total firm demands		27	8,008	
Surplus Water Sales				
Long Term Storage	\$233	4	862	
Agriculture Service	\$236	-	-	
Sub-Total Surplus Water Sales		4	862	
Treatment Surcharge				
Full Service	\$82	6	458	
Shift Seasonal	\$57	21	1,195	
Long Term Storage	\$57	4	211	
Agriculture Service	\$58	-	-	
		30	1,864	
Connection Maintenance Charge				
RTS Charge (net of Standby Charge collections)			3,300	
			(34,838)	
Cost Paid by Member Agency				
Average Full Service Unit Cost Paid by Member Agency	-\$688	30	\$ (20,804)	

San Marino

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

San Marino

Forecast Fiscal Year 2003

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	877	\$ 64,003	
Tier 2 Purchases	\$154	-	-	
Sub-total supply		877	64,003	
Shift Contract (counts towards Tier 1 purchases)	\$233	-	-	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	-	-	
Interim Agriculture Water Program	\$236	-	-	
Sub-total surplus water sales		-	-	
System Access Rate (\$/af)	\$141	877	123,622	= firm deliveries x rate
System Power Rate (\$/af)	\$89	877	78,031	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	877	20,165	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	877	71,894	= treated firm deliveries x rate
Long Term Storage	\$57	-	-	= treated replenishment deliveries x rate
Agriculture Service	\$58	-	-	= treated agricultural deliveries x rate
Shift Contract	\$57	-	-	= treated shift contract deliveries x rate
Sub-total treatment surcharge		877	71,894	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	6	37,751	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		63,375	Based on 2001 estimate
less Standby Charge collections	N/A		(40,976)	
Net RTS Charge Payment (credit)			22,399	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		877	\$ 417,865	
Average Full Service Unit Cost Paid by Member Agency	\$477			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
San Marino
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
<i>Water Rates</i>				
Firm Demand				
Full Service	\$349	877	\$ 305,987	
Seasonal Shift (Non-Contract)	\$289	-	-	
Seasonal Shift (Contract)	\$233	-	-	
Sub-total firm demands		877	305,987	
Surplus Water Sales				
Long Term Storage	\$233	-	-	
Agriculture Service	\$236	-	-	
Sub-Total Surplus Water Sales		-	-	
<i>Treatment Surcharge</i>				
Full Service	\$82	877	71,894	
Shift Seasonal	\$57	-	-	
Long Term Storage	\$57	-	-	
Agriculture Service	\$58	-	-	
		877	71,894	
<i>Connection Maintenance Charge</i>				
			3,900	
<i>RTS Charge (net of Standby Charge collections)</i>			29,202	
<i>Cost Paid by Member Agency</i>				
		877	\$ 410,982	
<i>Average Full Service Unit Cost Paid by Member Agency</i>				
		\$469		

Santa Ana

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

Santa Ana

Forecast Fiscal Year 2003

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	10,616	\$ 774,938	
Tier 2 Purchases	\$154	-	-	
Sub-total supply		10,616	774,938	
Shift Contract (counts towards Tier 1 purchases)	\$233	-	-	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	-	-	
Interim Agriculture Water Program	\$236	-	-	
Sub-total surplus water sales		-	-	
System Access Rate (\$/af)	\$141	10,616	1,496,799	= firm deliveries x rate
System Power Rate (\$/af)	\$89	10,616	944,788	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	10,616	244,159	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	10,616	870,479	= treated firm deliveries x rate
Long Term Storage	\$57	-	-	= treated replenishment deliveries x rate
Agriculture Service	\$58	-	-	= treated agricultural deliveries x rate
Shift Contract	\$57	-	-	= treated shift contract deliveries x rate
Sub-total treatment surcharge		10,616	870,479	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	39	235,418	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		606,395	Based on 2001 estimate
less Standby Charge collections	N/A		(422,086)	
Net RTS Charge Payment (credit)			184,309	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		10,616	\$ 4,750,889	
Average Full Service Unit Cost Paid by Member Agency	\$448			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
Santa Ana
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
Water Rates				
Firm Demand				
Full Service	\$349	10,616	\$ 3,704,842	
Seasonal Shift (Non-Contract)	\$289	-	-	
Seasonal Shift (Contract)	\$233	-	-	
Sub-total firm demands		10,616	3,704,842	
Surplus Water Sales				
Long Term Storage	\$233	-	-	
Agriculture Service	\$236	-	-	
Sub-Total Surplus Water Sales		-	-	
Treatment Surcharge				
Full Service	\$82	10,616	870,479	
Shift Seasonal	\$57	-	-	
Long Term Storage	\$57	-	-	
Agriculture Service	\$58	-	-	
		10,616	870,479	
Connection Maintenance Charge			25,800	
RTS Charge (net of Standby Charge collections)			246,004	
Cost Paid by Member Agency		10,616	\$ 4,847,125	
Average Full Service Unit Cost Paid by Member Agency		\$457		

Santa Monica

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

Santa Monica

Forecast Fiscal Year 2003

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	10,881	\$ 794,313	
Tier 2 Purchases	\$154	922	142,020	
Sub-total supply		11,803	936,333	
Shift Contract (counts towards Tier 1 purchases)	\$233	-	-	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	-	-	
Interim Agriculture Water Program	\$236	-	-	
Sub-total surplus water sales		-	-	
System Access Rate (\$/af)	\$141	11,803	1,664,252	= firm deliveries x rate
System Power Rate (\$/af)	\$89	11,803	1,050,486	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	11,803	271,474	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	11,803	967,863	= treated firm deliveries x rate
Long Term Storage	\$57	-	-	= treated replenishment deliveries x rate
Agriculture Service	\$58	-	-	= treated agricultural deliveries x rate
Shift Contract	\$57	-	-	= treated shift contract deliveries x rate
Sub-total treatment surcharge		11,803	967,863	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	28	168,753	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		449,816	Based on 2001 estimate
less Standby Charge collections	N/A		-	
Net RTS Charge Payment (credit)			449,816	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		11,803	\$ 5,508,977	
Average Full Service Unit Cost Paid by Member Agency	\$467			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
Santa Monica
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
<i>Water Rates</i>				
Firm Demand				
Full Service	\$349	11,803	\$ 4,119,320	
Seasonal Shift (Non-Contract)	\$289	-	-	
Seasonal Shift (Contract)	\$233	-	-	
Sub-total firm demands		11,803	4,119,320	
Surplus Water Sales				
Long Term Storage	\$233	-	-	
Agriculture Service	\$236	-	-	
Sub-Total Surplus Water Sales		-	-	
<i>Treatment Surcharge</i>				
Full Service	\$82	11,803	967,863	
Shift Seasonal	\$57	-	-	
Long Term Storage	\$57	-	-	
Agriculture Service	\$58	-	-	
		11,803	967,863	
<i>Connection Maintenance Charge</i>				
			18,900	
<i>RTS Charge (net of Standby Charge collections)</i>				
			264,846	
<i>Cost Paid by Member Agency</i>				
<i>Average Full Service Unit Cost Paid by Member Agency</i>	\$455	11,803	\$ 5,370,929	

Three Valleys

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

Three Valleys

Forecast Fiscal Year 2003

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	67,151	\$ 4,902,057	
Tier 2 Purchases	\$154	-	-	
Sub-total supply		67,151	4,902,057	
Shift Contract (counts towards Tier 1 purchases)	\$233	-	-	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	3,611	841,267	
Interim Agriculture Water Program	\$236	75	17,715	
Sub-total surplus water sales		3,686	858,983	
System Access Rate (\$/af)	\$141	67,151	9,468,356	= firm deliveries x rate
System Power Rate (\$/af)	\$89	67,151	5,976,480	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	67,151	1,544,484	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	46,130	3,782,657	= treated firm deliveries x rate
Long Term Storage	\$57	-	-	= treated replenishment deliveries x rate
Agriculture Service	\$58	-	-	= treated agricultural deliveries x rate
Shift Contract	\$57	-	-	= treated shift contract deliveries x rate
Sub-total treatment surcharge		46,130	3,782,657	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	182	1,109,593	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		3,260,986	Based on 2001 estimate
less Standby Charge collections	N/A		(1,850,011)	
Net RTS Charge Payment (credit)			1,410,975	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		70,837	\$ 29,053,584	
Average Full Service Unit Cost Paid by Member Agency	\$410			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
Three Valleys
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
<i>Water Rates</i>				
Firm Demand				
Full Service	\$349	67,151	\$ 23,435,859	
Seasonal Shift (Non-Contract)	\$289	-	-	
Seasonal Shift (Contract)	\$233	-	-	
Sub-total firm demands		67,151	23,435,859	
Surplus Water Sales				
Long Term Storage	\$233	3,611	841,267	
Agriculture Service	\$236	75	17,715	
Sub-Total Surplus Water Sales		3,686	858,983	
<i>Treatment Surcharge</i>				
Full Service	\$82	46,130	3,782,657	
Shift Seasonal	\$57	-	-	
Long Term Storage	\$57	-	-	
Agriculture Service	\$58	-	-	
		46,130	3,782,657	
<i>Connection Maintenance Charge</i>				
			153,600	
<i>RTS Charge (net of Standby Charge collections)</i>			1,231,411	
<i>Cost Paid by Member Agency</i>				
		70,837	\$ 29,462,511	
<i>Average Full Service Unit Cost Paid by Member Agency</i>				
		\$416		

Torrance

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

Torrance
Forecast Fiscal Year 2003

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	16,811	\$ 1,227,235	
Tier 2 Purchases	\$154	-	-	
Sub-total supply		16,811	1,227,235	
Shift Contract (counts towards Tier 1 purchases)	\$233	-	-	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	-	-	
Interim Agriculture Water Program	\$236	-	-	
Sub-total surplus water sales		-	-	
System Access Rate (\$/af)	\$141	16,811	2,370,412	= firm deliveries x rate
System Power Rate (\$/af)	\$89	16,811	1,496,218	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	16,811	386,663	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	16,811	1,378,538	= treated firm deliveries x rate
Long Term Storage	\$57	-	-	= treated replenishment deliveries x rate
Agriculture Service	\$58	-	-	= treated agricultural deliveries x rate
Shift Contract	\$57	-	-	= treated shift contract deliveries x rate
Sub-total treatment surcharge		16,811	1,378,538	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	48	291,155	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		1,110,046	Based on 2001 estimate
less Standby Charge collections	N/A		(461,381)	
Net RTS Charge Payment (credit)			648,665	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		16,811	\$ 7,798,885	
Average Full Service Unit Cost Paid by Member Agency	\$464			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
Torrance
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
Water Rates				
Firm Demand				
Full Service	\$349	16,811	\$ 5,867,190	
Seasonal Shift (Non-Contract)	\$289	-	-	
Seasonal Shift (Contract)	\$233	-	-	
Sub-total firm demands		16,811	5,867,190	
Surplus Water Sales				
Long Term Storage	\$233	-	-	
Agriculture Service	\$236	-	-	
Sub-Total Surplus Water Sales		-	-	
Treatment Surcharge				
Full Service	\$82	16,811	1,378,538	
Shift Seasonal	\$57	-	-	
Long Term Storage	\$57	-	-	
Agriculture Service	\$58	-	-	
		16,811	1,378,538	
Connection Maintenance Charge			36,600	
RTS Charge (net of Standby Charge collections)			612,756	
Cost Paid by Member Agency		16,811	\$ 7,895,084	
Average Full Service Unit Cost Paid by Member Agency		\$470		

Upper San Gabriel

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

Upper San Gabriel
Forecast Fiscal Year 2003

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	6,413	\$ 468,133	
Tier 2 Purchases	\$154	-	-	
Sub-total supply		6,413	468,133	
Shift Contract (counts towards Tier 1 purchases)	\$233	-	-	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	27,320	6,365,568	
Interim Agriculture Water Program	\$236	-	-	
Sub-total surplus water sales		27,320	6,365,568	
System Access Rate (\$/af)	\$141	6,413	904,201	= firm deliveries x rate
System Power Rate (\$/af)	\$89	6,413	570,737	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	6,413	147,494	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	6,413	525,848	= treated firm deliveries x rate
Long Term Storage	\$57	-	-	= treated replenishment deliveries x rate
Agriculture Service	\$58	-	-	= treated agricultural deliveries x rate
Shift Contract	\$57	-	-	= treated shift contract deliveries x rate
Sub-total treatment surcharge		6,413	525,848	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	29	179,774	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		448,865	Based on 2001 estimate
less Standby Charge collections	N/A		(1,935,877)	
Net RTS Charge Payment (credit)			(1,487,012)	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		33,733	\$ 7,674,741	
Average Full Service Unit Cost Paid by Member Agency	\$228			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
Upper San Gabriel
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
Water Rates				
Firm Demand				
Full Service	\$349	6,413	\$ 2,238,058	
Seasonal Shift (Non-Contract)	\$289	-	-	
Seasonal Shift (Contract)	\$233	-	-	
Sub-total firm demands		6,413	2,238,058	
Surplus Water Sales				
Long Term Storage	\$233	27,320	6,365,568	
Agriculture Service	\$236	-	-	
Sub-Total Surplus Water Sales		27,320	6,365,568	
Treatment Surcharge				
Full Service	\$82	6,413	525,848	
Shift Seasonal	\$57	-	-	
Long Term Storage	\$57	-	-	
Agriculture Service	\$58	-	-	
		6,413	525,848	
Connection Maintenance Charge				
			80,400	
RTS Charge (net of Standby Charge collections)			(1,557,065)	
Cost Paid by Member Agency				
Average Full Service Unit Cost Paid by Member Agency				
	\$227	33,733	\$ 7,652,809	

West Basin

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

West Basin

Forecast Fiscal Year 2003

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	149,313	\$ 10,899,880	
Tier 2 Purchases	\$154	-	-	
Sub-total supply		149,313	10,899,880	
Shift Contract (counts towards Tier 1 purchases)	\$233	-	-	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	3,716	865,838	
Interim Agriculture Water Program	\$236	-	-	
Sub-total surplus water sales		3,716	865,838	
System Access Rate (\$/af)	\$141	149,313	21,053,192	= firm deliveries x rate
System Power Rate (\$/af)	\$89	149,313	13,288,895	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	149,313	3,434,209	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	149,313	12,243,701	= treated firm deliveries x rate
Long Term Storage	\$57	3,716	211,815	= treated replenishment deliveries x rate
Agriculture Service	\$58	-	-	= treated agricultural deliveries x rate
Shift Contract	\$57	-	-	= treated shift contract deliveries x rate
Sub-total treatment surcharge		153,029	12,455,515	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	274	1,672,312	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		7,897,725	Based on 2001 estimate
less Standby Charge collections	N/A		-	
Net RTS Charge Payment (credit)			7,897,725	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		153,029	\$ 71,567,566	
Average Full Service Unit Cost Paid by Member Agency	\$468			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
West Basin
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
Water Rates				
Firm Demand				
Full Service	\$349	149,313	\$ 52,110,384	
Seasonal Shift (Non-Contract)	\$289	-	-	
Seasonal Shift (Contract)	\$233	-	-	
Sub-total firm demands		149,313	52,110,384	
Surplus Water Sales				
Long Term Storage	\$233	3,716	865,838	
Agriculture Service	\$236	-	-	
Sub-Total Surplus Water Sales		3,716	865,838	
Treatment Surcharge				
Full Service	\$82	149,313	12,243,701	
Shift Seasonal	\$57	-	-	
Long Term Storage	\$57	3,716	211,815	
Agriculture Service	\$58	-	-	
		153,029	12,455,515	
Connection Maintenance Charge				
RTS Charge (net of Standby Charge collections)			254,400	
			8,099,529	
Cost Paid by Member Agency				
Average Full Service Unit Cost Paid by Member Agency	\$482	153,029	\$ 73,785,666	

Western

LINE ITEM INVOICE FOR NEW RATE STRUCTURE

Western

Forecast Fiscal Year 2003

	Rates	Billing Units	\$	Notes
Supply Rates (\$/af)				
Tier 1 Purchases	\$73	58,673	\$ 4,283,114	
Tier 2 Purchases	\$154	16,310	2,511,780	
Sub-total supply		74,983	6,794,895	
Shift Contract (counts towards Tier 1 purchases)	\$233	-	-	
Surplus Water Sales (\$/af)				
Long Term Seasonal	\$233	1,000	233,000	
Interim Agriculture Water Program	\$236	23,704	5,594,050	
Sub-total surplus water sales		24,704	5,827,050	
System Access Rate (\$/af)	\$141	74,983	10,572,612	= firm deliveries x rate
System Power Rate (\$/af)	\$89	74,983	6,673,492	= firm deliveries x rate
Water Stewardship Rate (\$/af)	\$23	74,983	1,724,610	= firm deliveries x rate
Treatment Surcharge (\$/af)				
Full-service	\$82	48,992	4,017,367	= treated firm deliveries x rate
Long Term Storage	\$57	1,000	57,000	= treated replenishment deliveries x rate
Agriculture Service	\$58	22,688	1,315,876	= treated agricultural deliveries x rate
Shift Contract	\$57	-	-	= treated shift contract deliveries x rate
Sub-total treatment surcharge		72,680	5,390,243	
Capacity Reservation Charge (\$/cfs fixed charge)	\$6,100	263	1,601,749	
Peaking Surcharge (\$/cfs)	\$18,300	-	-	
Readiness-to-Serve Charge (fixed charge)	N/A		2,284,168	
less Standby Charge collections	N/A		(3,280,377)	Based on 2001 estimate
Net RTS Charge Payment (credit)			(996,209)	
Growth Charge (\$/af)	\$0	-	-	
Net Cost Paid by Member Agency		99,687	\$ 37,588,442	
Average Full Service Unit Cost Paid by Member Agency	\$377			

LINE ITEM INVOICE FOR CURRENT RATE STRUCTURE
Western
Forecast Fiscal Year 2003

	Rates (\$/AF)	Acre-Feet	\$	Notes
Water Rates				
Firm Demand				
Full Service	\$349	74,694	\$ 26,068,151	
Seasonal Shift (Non-Contract)	\$289	289	83,584	
Seasonal Shift (Contract)	\$233	-	-	
Sub-total firm demands		74,983	26,151,735	
Surplus Water Sales				
Long Term Storage	\$233	1,000	233,000	
Agriculture Service	\$236	23,704	5,594,050	
Sub-Total Surplus Water Sales		24,704	5,827,050	
Treatment Surcharge				
Full Service	\$82	48,992	4,017,367	
Shift Seasonal	\$57	-	-	
Long Term Storage	\$57	1,000	57,000	
Agriculture Service	\$58	22,688	1,315,876	
		72,680	5,390,243	
Connection Maintenance Charge				
RTS Charge (net of Standby Charge collections)			144,600	
			(273,363)	
Cost Paid by Member Agency				
		99,687	\$ 37,240,265	
Average Full Service Unit Cost Paid by Member Agency				
		\$374		

Appendix 4

New Rate Structure Frequently Asked Questions

Metropolitan Water District Rates and Charges

System Access Rate

Why is the SAR a uniform (postage stamp) rate?

A uniform approach was chosen for the SAR because of the regional provider policy objective set forth by the Board, the need to provide water management incentives, the desire to accommodate a fair and efficient water market, and because it is a simple approach. Fundamentally the “localization” of capacity costs within a region through zonal pricing is counter to a regional provider approach. This is particularly true of a regional entity that historically has used a uniform charge to fund the development of capacity. The application of a zonal or point-to-point rate setting method would lead to significant differences in cost among agencies for the same level of service and distort long standing customer equity relationships. Significant cost differences for conveyance and distribution service will most likely produce consequences that are counter to the Board’s objectives of: (1) maintaining a regional provider role; (2) accommodating an efficient and fair water transfer market; and (3) preventing any one class of service from being at a significant disadvantage.

Water Stewardship Rate

Why do all system users, including third party wheelers, pay the WSR?

All users of the Metropolitan system benefit from conservation and local resources projects. The deferral and reduction of facility expansion costs made possible by investments in conservation and recycling benefit all users of conveyance and distribution capacity in the same proportion through a lower uniform system access rate. Without investments in conservation and recycling Metropolitan would have to build additional system capacity and charge a higher SAR to recover the cost of this additional capacity. If Metropolitan does not levy the WSR on all system users, Metropolitan will be sending a price signal that encourages local agencies to seek out third party water transfers to avoid the cost of investments in conservation and local resources. Such a price signal will encourage greater dependence on imported water supplies, potentially increase the impacts of water diversions from environmentally sensitive areas and move forward the need to expand system capacity (increasing costs).

How do WSR payments relate to the benefits provided to the agency?

Costs and benefits are related through the simple approach that reliability benefits provided by regional investments in conservation and local resources are shared by all member agencies. The benefits of the reliable supply produced by the local resource investment will be shared among all the member agencies through the development of additional reliable supplies and more efficient use of the existing system.

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System Power Rate

Why do wheeling parties pay either their own power costs or Metropolitan's power costs, but not the system average cost?

The Wheeling Statutes (Water Code Sec. 1810-1814) mandate that a wheeling party pay the actual incremental cost of power.

Capacity Reservation Charge and Peaking Surcharge

How will the member agencies know when to reduce their demands on the system to avoid the Peaking Surcharge and reduce their cost for the Capacity Reservation Charge?

Because the member agencies do not currently actively manage peak day demands for imported water, few investments in the necessary information technology have been made. Some agencies may have to invest in computer hardware and software that will allow them to integrate Metropolitan's daily operating data into their system operations. Substantial investments in meter reading, database technology and computer software and hardware have already been made by Metropolitan through the SCADA (System Control and Data Acquisition) system and installation of AMR (Automatic Meter Reading) equipment. Metropolitan will work with the member agencies to develop the means to most efficiently provide this information to minimize their cost of monitoring their peak demands on the Metropolitan system. A peaking analysis tool was created and distributed to assist the member agencies in determining the appropriate maximum daily flow rate to request.

If a member agency baseloads or reduces its peak does it still have to pay the Capacity Reservation Charge?

Reducing peak flow allows an agency to decrease its requested maximum day flow and therefore to pay less of the Capacity Reservation Charge and avoid the Peaking Surcharge. However, each agency will pay the Capacity Reservation Charge unless it is able to take all of the water that it needs for the year between October 1 and April 30 or is willing to pay the Peaking Surcharge for any flows taken between May 1 and September 30.

Readiness-to-Serve Charge

How is the ten-year rolling average of firm demand used to allocate the RTS among the member agencies calculated?

The ten-year rolling average of firm demand includes all Tier 1 and Tier 2 deliveries and water transfers and exchanges. Deliveries made under the long-term seasonal storage

Metropolitan Water District
Rates and Charges

service program and the interim agricultural water program will not be included in the RTS allocation base. There will be a one-year lag between the last year of the ten-year period included in the average and the year for which the allocation base is used for billing purposes.

Will the existing Standby Charge continue to be levied by MWD on behalf of a requesting member agency?

Metropolitan will continue to levy the Standby Charge on behalf of those agencies that requested that Metropolitan do so. Standby Charge revenues will be applied as a credit against the member agencies RTS obligation, reducing the amount of the RTS obligation the member agency must recover itself.

Purchase Order

Can member agencies trade purchase order commitments to avoid paying for water that is not used at the end of the Purchase Order term or to avoid purchasing more expensive Tier 2 water?

No. The Purchase Order is simply an agreement that establishes a financial commitment from the member agency and pricing terms. The Purchase Order does not grant a contractual right to an amount of system supply that can be exchanged on an annual or longer-term basis.

How and when does a member agency request to extend the Purchase Order?

A member agency may elect to extend the Purchase Order by providing written notice of its intent to do so five years prior to the end of the Purchase Order Term or any time thereafter.

What is the benefit of renewing the purchase order?

A member agency can continue to extend the benefits of being able to purchase water at a lower price.

Does desalination supply count toward a member agency's Purchase Order Commitment?

No. Only Metropolitan system supplies delivered to the member agency as either a Tier 1 or Tier 2 sale will be measured against the Purchase Order Commitment.

Does the Purchase Order Commitment increase as a member agency's ten-year rolling average of firm demand increases?

No. The Purchase Order commitment is established as ten times 60 percent of a member agency's highest annual purchase of firm demand (full service and seasonal shift

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deliveries) for the 13 fiscal years ending June 30, 2002. Once established the Purchase Order Commitment remains constant for the term of the Purchase Order.

Will Metropolitan keep track of a member agency's purchases that count toward fulfilling the Purchase Order commitment and regularly inform the member agency of its remaining obligation under the Purchase Order?

Yes. Metropolitan will inform the member agency each year of the remaining Purchase Order Commitment.

If a member agency does not purchase enough supply to meet its Purchase Order Commitment, at what rate will it be billed for the remaining balance of the Commitment?

At the end of the Purchase Order term if the member agency has not purchased enough supply to meet its Purchase Order Commitment it will be billed for the remaining balance at the then effective Tier 1 Supply Rate.

Will the terms and conditions of the Purchase Order be uniform for all member agencies?

Yes. The terms and conditions of the Purchase Order will be uniform with the exception of quantities.

What happens if the member agency fulfills its Purchase Order commitment prior to the end of the Purchase Order term (e.g. purchased ten times 60 percent of the initial Base within the first five years of the Purchase Order term)?

The member agency has met its obligation under the Purchase Order and will continue to be able to purchase up to 90 percent of its Base in any year at the lower Tier 1 Supply Rate.

Tier 1 and Tier 2 Supply Rates

How will Metropolitan bill member agencies for Tier 1 versus Tier 2 deliveries?

Metropolitan will bill the member agency at the Tier 1 Supply Rate until the member agency's total deliveries for firm demand exceed 90 percent of its Base. The member agency will need to anticipate changes in cash flows in its financial planning, rate setting and budgeting processes that may arise due to changes in demands and therefore its costs for water supply.

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Will Metropolitan track Tier 1 and Tier 2 purchases by service connection so member agencies that choose to charge their retail purveyor customers Tier 1 and Tier 2 rates and not a melded supply cost can pass the appropriate rate along?

Metropolitan will provide the member agency with delivered volumes by connection. The assignment of Tier 1 and Tier 2 Supply Rates to a member agency's customers is the responsibility of the member agency.

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Rates and Charges

Appendix 5

Administrative Code

Division IV

WATER SERVICE POLICIES

Chapter 1

DEFINITIONS

Sec.

- 4100. General
- 4101. Colorado
- 4102. State
- 4103. Treated Water
- 4104. Untreated Water
- 4105. Domestic and Municipal Purposes
- 4106. Interim Agricultural Water Program Purposes
- 4107. Groundwater Replenishment by Spreading
- 4108. Groundwater Replenishment by Injection
- 4109. In-Lieu Groundwater Replenishment
- 4110. Reservoir Storage
- 4111. In - Lieu Reservoir Storage
- 4112. Full Service
- 4113. [Repealed]
- 4114. Seasonal Storage Service
- 4115. [Repealed]
- 4116. [Repealed]
- 4117. Cooperative Storage Program
- 4118. Cooperative Storage Program Sale
- 4119. Wheeling Service
- 4120. Purchase Order; Purchase Order Commitment
- 4121. Supply Rates
- 4122. Base Firm Demand; Initial Base Firm Demand
- 4123. System Access Rate
- 4124. Water Stewardship Rate
- 4125. System Power Rate
- 4126. Treatment Surcharge

§ 4100. General.

The definitions in this Chapter shall govern the meaning of the terms when used in this Division.

§ 4101. Colorado.

"Colorado" as a source of water shall mean water obtained by the District from the Colorado River through facilities owned by the District.

§ 4102. State.

"State" as a source of water shall mean water obtained by the District from facilities of the California State Water Project.

§ 4103. Treated Water.

"Treated water" shall mean water that is treated by filtration and disinfection at any District water treatment facility.

§ 4104. Untreated Water.

"Untreated water" shall mean water that is not treated water.

§ 4105. Domestic and Municipal Purposes.

"Domestic and municipal purposes" shall mean, but is not limited to, the use of water for all domestic, municipal, commercial, industrial, and recreational purposes.

§ 4106. Interim Agricultural Water Program Purposes.

"Interim Agricultural Water Program purposes" shall mean the service of water pursuant to the Interim Agricultural Water Program and this Division IV which is delivered and used for the growing or raising, in conformity with recognized practices of husbandry, for the purposes of commerce, trade, or industry, or for use by public educational or correctional institutions, of agricultural, horticultural, or floricultural products, and produced (1) for human consumption or for the market, or (2) for the feeding of fowl or livestock produced for human consumption or for the market, or (3) for the feeding of fowl or livestock for the purpose of obtaining their products for human consumption or for the market, such products to be grown or raised on a parcel of land having an area of not less than one acre utilized exclusively therefor.

(a) "Interim Agricultural Water Program purposes limited to the growing of field and nursery crops and row crops" shall mean the service of water related to the growing of crops generally planted

and harvested annually or more frequently, and other Interim Agricultural Water Program purposes not included in the definitions of Sections 4106(b) and 4106(c).

(b) "Interim Agricultural Water Program purposes limited to the growing of trees and vines" shall mean the service of water limited to the growing of crops which are planted less frequently than annually in the expectation of long-term yield therefrom.

(c) "Interim Agricultural Water Program purposes limited to the feeding of fowl or livestock" shall mean the service of water encompassing the raising of animals for human consumption or for the market or for the purpose of obtaining their products for human consumption or for the market.

§ 4107. Groundwater Replenishment by Spreading.

"Groundwater replenishment by spreading" shall mean the act of spreading or causing to be spread, water for the purpose of replenishing natural groundwater basins, without regard to subsequent use of the water.

§ 4108. Groundwater Replenishment by Injection.

"Groundwater replenishment by injection" shall mean the act of injecting or causing to be injected, water for the purpose of replenishing natural groundwater basins.

(a) "Direct Replenishment by Injection" shall mean groundwater replenishment that results from the act of injecting without regard to subsequent use of the water.

(b) "Seasonal Storage by Injection" shall mean groundwater storage or replenishment that results from the act of injecting and is subject to the measurements as described in Section 4514 of this Division.

(c) "Seawater barrier groundwater replenishment" shall mean groundwater replenishment having as a principal purpose the injection of water for the purpose of maintaining groundwater barriers designed and intended to avoid the contamination of groundwater storage basins by the intrusion of seawater.

§ 4109. In-Lieu Groundwater Replenishment.

"In-lieu groundwater replenishment" shall mean maintenance or replenishment of water supplies in groundwater basins by reduction or elimination of extraction therefrom through the substitution of deliveries of water to consumers from surface distribution facilities in lieu of such extraction.

§ 4110. Reservoir Storage.

"Reservoir storage" shall mean the act of storing water in surface reservoirs by delivering water directly into a reservoir.

§ 4111. In-Lieu Reservoir Storage.

"In-Lieu Reservoir Storage" shall mean the act of storing water in surface reservoirs by reducing or eliminating local supply outflow, through substitution of deliveries of water to consumers from surface distribution facilities in lieu of such withdrawals, thus conserving storage acquired from local sources.

§ 4112. Full Service.

"Full service" shall mean service of water for domestic or municipal purposes that does not meet (or fall within) the criteria for other classes of service or special programs as defined in this Division and is not subject to reduction or interruption except as may be required by the application of preferential rights granted by Section 135 of the MWD Act or by a drought determination made pursuant to Section 350 of the California Water Code.

§ 4113. [Repealed].

§ 4114. Seasonal Storage Service.

"Seasonal Storage service" shall mean service of water for groundwater replenishment by spreading or injecting, in-lieu groundwater replenishment, in-lieu reservoir storage, or for direct reservoir storage. Such service shall be governed by the provisions of Section 4514.

§ 4115. [Repealed.]

§ 4116. [Repealed.]

§ 4117. Cooperative Storage Program.

"Cooperative Storage Program" shall mean the program that provides a means for coordinating the District's carryover storage needs with storage capacity available to member public agencies, on the basis that the stored water will eventually be released to respective participating member public agencies pursuant to the regulations provided by Section 4517.

§ 4118. Cooperative Storage Program Sale.

"Cooperative Storage Program Sale" shall describe the transaction that occurs at the time a water delivery is made by the District under the Cooperative Storage Program. Any such delivery is deemed a sale to the receiving member public agency when delivered to it for storage, with payment to the District deferred as provided in subsection 4517(i). For administrative record keeping purposes, such a transaction will be recorded as an advance delivery until invoiced as a sale by the District at the time of release.

§ 4119. Wheeling Service.

"Wheeling Service" shall mean the use of Metropolitan's facilities, including its rights to use State Water Project facilities, to transport water not owned or controlled by Metropolitan to its member public agencies, in transactions entered into by Metropolitan for a period of up to one year.

§ 4120. Purchase Order; Purchase Order Commitment.

"Purchase Order" shall mean a member agency's written commitment to purchase a specified total volume of water from the District during a specified period, as provided in Section 4404, and "Purchase Order Commitment" shall mean 60% of a member agency's Initial Base Firm Demand times the number of years in the term of the Purchase Order. Deliveries of surplus system water supplies, including, but not limited to, deliveries under the Interim Agricultural Water Program and Long-Term Seasonal Storage Service, will not count toward the Purchase Order Commitment.

§ 4121 Supply Rates.

"Supply Rate" shall mean (i) the Tier 1 Supply Rate and (ii) the Tier 2 Supply Rate, as applicable to a particular purchase of water pursuant to Section 4404. The Tier 1 and Tier 2 Supply Rates shall be set from time to time by the District to recover the cost of maintaining existing supplies and developing additional supplies of water.

§ 4122. Base Firm Demand; Initial Base Firm Demand.

"Base Firm Demand" shall mean the greater of a) the member agency's Initial Base Firm Demand or b) the member agency's ten-fiscal year rolling average of deliveries of water from The District for the most recent ten fiscal year period, excluding, in either case, water delivered under Long-Term Seasonal Storage Service and Interim Agricultural Water Program Service, and "Initial Base Firm Demand" shall mean the member agency's highest annual delivery of water from The District, excluding water delivered

under Long-Term Seasonal Storage Service, Interruptible Service, and Interim Agricultural Water Program Service, during any fiscal year from fiscal year 1989/90 through fiscal year 2001/02.

§ 4123. System Access Rate

“System Access Rate” shall mean a dollar per acre-foot water rate imposed by the District to recover a portion of the District’s costs associated with the conveyance and distribution system, including capital, operating and maintenance costs.

§ 4124. Water Stewardship Rate

“Water Stewardship Rate” shall mean a dollar per acre-foot water rate imposed by the District to recover a portion of the costs of The District’s financial commitment to conservation, water recycling, groundwater recovery and other water management programs approved by the Board.

§ 4125. System Power Rate

“System Power Rate” shall mean a dollar per acre-foot water rate imposed by the District to recover the melded cost of power necessary to pump water from the State Water Project and Colorado River through the conveyance and distribution system for The District's member public agencies.

§ 4126. Treatment Surcharge

“Treatment Surcharge” means a dollar per acre-foot water rate imposed by the District to recover the District’s costs of providing water treatment capacity and operations.

[Chapter 2 – no amendments]

Chapter 3

WATER SALES REVENUE

- Sec.
- 4300. General
- 4301. Cost of Service and Revenue Requirement
- [4302. Repealed]
- [4303. Repealed]
- 4304. Apportionment of Revenues and Setting of Water Rates
and Charges to Raise Firm Revenues

§ 4300. General.

The total annual amount of revenue to be raised through the sale of water at rates and charges established pursuant to Sections 4400 and 4401 shall be determined in accordance with the provisions of this chapter.

§ 4301. Cost of Service and Revenue Requirement.

(a) The District shall fix rates for water such that anticipated water sales revenues, together with anticipated revenues from any water standby or availability of service charge (such as the readiness-to-serve charge or capacity reservation charge) or assessment, *ad valorem* tax revenues and other revenues pay the operating expenses of the District, provide for repairs and maintenance, provide for payment of the purchase price or other charges for property or services or other rights acquired by the District, and provide for the payment of the interest and principal of the District's outstanding bonded debt. Subject to the foregoing, such rates and charges shall reflect the costs of the District's major service functions, including water supply, conveyance, power, storage, distribution and treatment, to the greatest degree practicable.

(b) Notwithstanding the provisions in subsection (a) above, and amounts raised by *ad valorem* property taxation shall not exceed the limitations established by section 124.5 of the Act and, subject to those limitations, shall be not less than the approximate equivalent of the amounts levied for fiscal year 1990-91.

§ 4304. Apportionment of Revenues and Setting of Water Rates and Charges to Raise Firm Revenue.

(a) Not later than at its December meeting the Chief Executive Officer shall present to the Budget, Finance and Investment Committee of the Board determinations of the total revenues and of the revenues to be derived from water sales and firm revenue sources, if any, required during the fiscal year beginning the following July 1 as determined by the Chief Executive Officer in accordance with current Board policies.

(b) Not later than at its December meeting the Budget, Finance and Investment Committee shall consider the Chief Executive Officer's determinations made pursuant to Section 4304(a).

(c) Not later than at its January meeting the Chief Executive Officer shall present to the Budget, Finance and Investment Committee recommendations of rates, including the System Access Rate, Water Stewardship Rate, System Power Rate, Treatment Surcharge, and the Supply Rates, for the various classes of water service to become effective the following January 1, which rates shall be the

Chief Executive Officer's determination, made in accordance with current Board policies, of the rates necessary to produce substantially the revenues to be derived from water sales during the fiscal year beginning the following July 1 which the Budget, Finance and Investment Committee has determined to be necessary.

(d) The Chief Executive Officer shall also present to the Budget, Finance and Investment Committee at its January meeting recommendations regarding the imposition of a water standby charge or an availability of service charge (such as the readiness-to-serve charge and capacity reservation charge), which charge shall be the Chief Executive Officer's determination, made in accordance with current Board policies, of the charge necessary to produce substantially the revenues to be derived from firm revenue sources, if any, exclusive of taxes, during the fiscal year beginning the following July 1 which the Budget, Finance and Investment Committee has determined to be necessary.

(e) Not later than its January meeting the Budget, Finance and Investment Committee shall set a time or times for, and shall thereafter hold, one or more meetings of the Budget, Finance and Investment Committee to be held prior to its regular March meeting at which interested parties may present their views regarding the proposed water rates to said committee. The Budget, Finance and Investment Committee shall direct the Chief Executive Officer to cause the publication of a notice of such public hearing to be published in newspapers of general circulation within the District's service area. Such notice shall be published not less than 10 days prior to the public hearing.

(f) The Budget, Finance and Investment Committee shall also make at its January meeting a preliminary determination of the type of firm revenue, if any, to be raised for the following fiscal year and recommend to the Board a form of resolution of intention to impose either a water standby charge or an availability of service charge sufficient to raise such firm revenue, exclusive of taxes, to implement such determination. The committee shall also recommend to the Board that it (1) authorize and direct the Chief Executive Officer to satisfy all notice requirements for implementation of such charge and (2) set dates, times and locations for, and thereafter hold, prior to the regular April meeting, one or more adjourned meetings of the Board, for public hearings and consideration of the imposition of the charge, at which interested parties may present their views regarding the proposed charge.

(g) At its regular March meeting the Budget, Finance and Investment Committee shall make its determination regarding the water rates to become effective the following January 1 and shall recommend said water rates to the Board at the Board's regular March meeting.

(h) At its March meeting, the Board shall establish water rates for deliveries beginning the following January 1.

(i) Not later than its regular May meeting, the Budget, Finance and Investment Committee shall make its final determination regarding the water standby charge or other firm revenue charge, if any, for

the fiscal year beginning the following July 1, and shall recommend such charge, if any, to the Board at its regular May meeting.

(j) Not later than its May meeting, the Board shall consider and take action upon the recommendations, if any, of the Budget, Finance and Investment Committee regarding a firm revenue source, exclusive of taxes, for the fiscal year beginning the following July 1.

(k) Proposals for changes in water rates to become effective at times other than on January 1 shall require adequate notice to the public and a hearing before such proposals are acted upon by the Board, unless the Board finds that an immediate change in water rates is urgent.

Chapter 4

CLASSIFICATION AND RATES

Sec.

- 4400. Basic Statement
- 4401. Rates
- 4402. Readiness-to-Serve Charge
- 4403. Capacity Reservation Charge and Peaking Surcharge
- 4404. Purchase Orders
- 4405. Wheeling Service

§ 4400. Basic Statement.

The rates and charges set forth herein, so far as practicable, shall result in revenue to meet the obligations set forth in Section 134 of the Metropolitan Water District Act.

§ 4401. Rates.

(a) The rates per acre-foot for water sold and delivered for each class of service on order of any member public agency for use therein shall be as follows:

- (1) For all water that does not meet criteria for other classes of service or special programs as defined in this Division, each of the following, as applicable:

System Access Rate:

Effective Date	Rate
1/1/2003	\$141.00

Water Stewardship Rate

Effective Date	Rate
1/1/2003	\$23.00

System Power Rate

Effective Date	Rate
1/1/2003	\$89.00

Treatment Surcharge (Applicable to treated water)

Effective Date	Rate
1/1/2003	\$82.00

Supply Rate

Tier 1 Supply Rate--The Tier 1 Supply Rate shall apply to water purchases which, in the aggregate for any calendar year, are less than or equal to 60 percent (or, if the member agency purchasing the water has executed a Purchase Order, 90 percent) of the Base Firm Demand of such member agency.

Effective Date	Rate
1/1/2003	\$73.00

Tier 2 Supply Rate--The Tier 2 Supply Rate shall apply when a member agency's cumulative total of full service deliveries for the calendar year exceeds 60 percent of the member agency's Base Firm Demand, or 90 percent of Base Firm Demand for member public agencies that execute a Purchase Order.

Effective Date	Rate
1/1/2003	\$154.00

(2) For Long-Term Seasonal Storage Service (All water delivered in accordance with the Seasonal Storage Service Program as described in this Division and the most current User Handbook for Seasonal Storage Service.)

Effective Date	Untreated Water	Treated Water
1/1/2003	\$233.00	\$289.00

- (3) For Interim Agricultural Water Program Service (All water delivered in accordance with the Interim Agricultural Water Program as described in this Division.)

Effective Date	Untreated Water	Treated Water
1/1/2003	\$236.00	\$294.00

(b) The rates for water established by Section 4401(a) shall not apply to water sold and delivered by the District to any purchaser other than a member public agency; and said rates for water shall not apply to water sold and delivered by the District for any use outside the District, or to water sold and delivered by the District for any use within the District in substitution for water used outside the District, regardless of whether or not such water be purchased by, or delivered pursuant to the order of, any member public agency; but such water shall be sold and delivered pursuant to such contract and upon such terms and conditions as the Board shall authorize and determine for each such transaction.

(c) For purposes of agreements existing as of January 1, 2003 under the Local Resource Program, Local Projects Program, Groundwater Recovery Program and other similar programs, references to the “full service treated water rate,” “treated non-interruptible water rate” or “other prevailing rate” or to the “reclaimed water rate” or “recycled service rate” shall be deemed to refer to the sum of the System Access Rate, Water Stewardship Rate, System Power Rate, the expected weighted average of Tier 1 Supply Rate and Tier 2 Supply Rate (equal to the estimated sales revenues expected from the sale of water at the Tier 1 and Tier 2 Supply Rates divided by the total District sales in acre-feet expected to be made at the Tier 1 and Tier 2 Supply Rates), the Capacity Reservation Charge expressed on a dollar per acre-foot basis and Treatment Surcharge.

§ 4402. Readiness-to-Serve Charge.

The readiness-to-serve charge shall be set by the Board from time to time to recover the costs of emergency system storage and the cost of system conveyance capacity for peak and standby use not recovered by property tax revenue. The readiness-to-serve charge will be allocated among the member public agencies (i) through December 31, 2002, in proportion to the average of Metropolitan water sales (in acre-feet) to each member public agency during the three fiscal year period ending June 30, 1996; provided that long-term seasonal storage service, cyclic storage, and direct groundwater replenishment deliveries and water taken under the one-time drought storage agreement, Cooperative

Storage Program through April 12, 1994, 1993 Demonstration Program and cooperative storage purchases paid for in fiscal year 1995-96 shall be subtracted from the water sales calculation, and (ii) beginning January 1, 2003, in proportion to the average of deliveries (including exchanges and transfers) through Metropolitan's system (in acre-feet) to each member public agency during the ten-year period ending June 30, 2001; and thereafter as a ten-year rolling average; provided that Metropolitan sales of reclaimed water under the Local Projects Program and groundwater under the Groundwater Recovery Program and deliveries under Long-Term Seasonal Storage Service and Interim Agricultural Water Service shall not be included in the water deliveries calculation.

(b) The readiness-to-serve charge shall be due monthly, quarterly or semiannually, as agreed upon by Metropolitan and the member public agency. If a standby charge is collected on behalf of a member public agency, the member public agency will be credited for the amount of net collections. This charge is subject to the provisions of Sections 4507 and 4508.

(c) The Chief Executive Officer shall establish and make available to member public agencies procedures for administration of the readiness-to-serve charge, including filing and consideration of applications for reconsideration of their respective readiness-to-serve charge. The Chief Executive Officer shall review any applications for reconsideration submitted in a timely manner. The Chief Executive Officer shall also establish reasonable procedures for the filing of appeals from his determination.

§4403. Capacity Reservation Charge and Peaking Surcharge.

(a) The capacity reservation charge and peaking surcharge shall be set by the Board from time to time. The capacity reservation charge shall be set to recover the cost of distribution capacity that is used for peaking. The capacity reservation charge will be payable by each member agency for system capacity (on a per cubic foot per second basis) requested by the member agency. The peaking surcharge shall be levied on the member agency's maximum daily flow (excepting for that flow associated with the delivery of Long-Term Seasonal Storage Service) during May 1 through September 30 that exceeds its requested capacity amount.

(b) The capacity reservation charge shall be due monthly, quarterly or semiannually, as agreed upon by Metropolitan and the member public agency. The peaking surcharge will be levied one time each year for flows (excepting for that flow associated with the delivery of Long-Term Seasonal Storage Service) in the preceding year that exceed a member public agency's requested capacity and will be payable within 60 days of the District's invoice for the peaking surcharge. The peaking surcharge will be levied on the maximum amount of flow (excepting for that flow associated with the delivery of Long-Term Seasonal Storage Service) that exceeds the requested capacity only. A member public agency may increase or decrease its requested capacity amount annually.

(c) For the three years ending December 31, 2005, Peaking Surcharge revenues recovered from the member agency for use of system capacity that exceed the greater of the member agency's requested capacity or 75% of the member agency's maximum day demand for the five years ending June 30, 2001, shall be made available to member agencies (in proportion to such member agency's payment of the Peaking Surcharge) to be used for the purposes of defraying the costs of capital investments that will reduce peak day demands on Metropolitan's system. Such monies will be made available during the year following the year in which the Peaking Surcharge was incurred. This provision shall expire and be of no further effect on December 31, 2005.

(d) Each member agency shall provide the Chief Executive Officer with written notice of its requested capacity amount (in cubic feet per second) to be in effect for the subsequent calendar year no later than October 31 of each year. If a member agency fails to provide such notice by such date, the preceding year's request shall apply.

§ 4404 Purchase Orders.

(a) The Chief Executive Officer shall establish and make available to member public agencies the form of the Purchase Order and procedures for its administration. The Chief Executive Officer shall establish a deadline by which all Purchase Orders shall be executed by member public agencies that desire to enter into such agreements with the District. Following the deadline established by the Chief Executive Officer, no member public agencies will be allowed to execute Purchase Orders.

(b) The term of the initial Purchase Orders shall be from January 1, 2003 through and including December 31, 2012. All Purchase Orders in effect shall be on substantially the same terms and for the same term. Any amendments to Purchase Orders shall be subject to approval by the Board.

(c) Each member public agency executing a Purchase Order shall commit to purchase at least its Purchase Order Commitment during the term of the Purchase Order.

(d) A member public agency that executed a Purchase Order shall be permitted annually to purchase up to 90% of its Initial Base Firm Demand at the Tier 1 Supply Rate for the term of the Purchase Order.

(e) When a member public agency has purchased at least its Purchase Order Commitment the minimum purchase requirement of the Purchase Order will be fulfilled.

(f) If, upon expiration of the term of the Purchase Order, a member agency has purchased an amount of water less than its Purchase Order Commitment, the member public agency shall pay Metropolitan an amount equal to the difference between its Purchase Order Commitment and its

actual purchases during the term of the Purchase Order, times the Tier 1 Supply Rate in effect in the last year of the Purchase Order term.

(g) All water deliveries under a Purchase Order shall be subject to the operational conditions and constraints contained in this Division. In addition, all billings and payments for such water shall be subject to the provisions of this Division in the same manner as other water delivered by Metropolitan.

§ 4405. Wheeling Service.

(a) Subject to the Chief Executive Officer's determination of available system capacity, Metropolitan will offer wheeling service. The determination whether there is unused capacity in Metropolitan's conveyance system, shall be made by the Chief Executive Officer on a case-by-case basis in response to particular requests for wheeling.

(b) The rates for wheeling service shall include the System Access Rate, Water Stewardship Rate and, for treated water, the Treatment Surcharge, as set forth in Section 4401. In addition, wheeling parties must pay for their own cost for power (if such power can be scheduled by the District) or pay the District for the actual cost (not system average) of power service utilized for delivery of the wheeled water. Further, wheeling parties shall be assessed an administration fee of not less than \$5,000 per transaction.

Chapter 5

WATER SERVICE REGULATIONS - GENERAL

Sec.

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§ 4500. Adoption of Regulations.

Subject to all applicable provisions of the Metropolitan Water District Act, as said Act may be amended from time to time, the following regulations shall govern the service of water by the District.

§ 4501. Obligation to Pay for Water Delivered.

(a) All water delivered through any service connection to a member public agency for use within the member public agency shall be supplied in accordance with the provisions of the Metropolitan Water District Act and the rules and regulations of the District governing such service, as set forth in Chapter 5 and Chapter 9. The District shall bill the member public agency for all water delivered through the service connection, and the member public agency shall pay the District for all water so delivered at the rate or rates and within the period from time to time fixed by the Board.

(b) In the event that any member public agency shall request in writing a delivery of water directly by the District into any distribution system owned by some other agency which serves water

within the corporate area of the member public agency, the member public agency shall be obligated to pay the District for all water so delivered at the rates and under the conditions from time to time fixed by the Board; and such delivery into such other system shall constitute delivery to such member public agency for the purpose of these regulations.

(c) Member public agency system losses of District-supplied water are losses that are inherent in the operation of a water distribution system. These include losses occasioned by evaporation, seepage, spillage, leakage, pipeline failure, or system testing. Such losses shall be charged to a member public agency in direct proportion to the classes of service in which they occur and at the rates prescribed in Section 4401 for water sold and delivered for each such class of service. Such system losses shall not affect a member public agency's obligation to sustain an interruption or reduction in the delivery of water as set forth in this Code.

§ 4502. Liability and Indemnification.

Neither the District nor any of its officers, agents, or employees shall be liable for the control, carriage, handling, use, disposal, or distribution of water supplied or delivered by the District to a member public agency after such water has been delivered to such member public agency; nor for claim of damage of any nature whatsoever, including but not limited to property damage, personal injury or death, arising out of or connected with the control, carriage, handling, use, disposal, or distribution of such water beyond the point of such delivery; and the member public agency shall indemnify and hold harmless the District and its officers, agents, and employees from any such damages or claims of damages, and shall reimburse the District for costs of repair of the District's facilities and other damages resulting from the operations of the member public agency. Neither the member public agency nor any of its officers, agents, or employees shall be liable for the control, carriage, handling, use, disposal, or distribution of water prior to such water being delivered to the member public agency; nor for claim of damage of any nature whatsoever, including but not limited to property damage, personal injury or death, arising out of or connected with the control, carriage, handling, use, disposal, or distribution of such water prior to its delivery to such member public agency, excepting, however, claims by the District for costs of repair to the District's facilities and other damages resulting from the operations of the member public agency; and the District shall indemnify and hold harmless the member public agency and its officers, agents, and employees from any such damages or claims of damages, except claims by the District for costs of repair of the District's facilities and other damages resulting from the operations of the member public agency.

§ 4503. Suspension of Deliveries.

Whenever repairs or maintenance of the District's system, in the opinion of the Chief Executive Officer of the District, shall require suspension of delivery of water at any point or points, such delivery may be suspended without liability on the part of the District; provided, that except in cases of

emergency, as determined by the Chief Executive Officer, notice of such suspension of service shall be given to the affected member public agency in advance of such suspension.

Each member agency should have a seven-day supply of water in case of an interruption in Metropolitan deliveries. Except in cases of emergency, the District will notice long term (over seven days) shutdowns at least one year in advance and produce a shutdown schedule in September for shutdowns less than seven days.

Seasonal Storage Service certifications will be adjusted for the reduction of credits that are accrued due to shutdowns that are greater than seven days. No adjustments will be made for shutdowns seven days or less unless the member agency provides a service to the District by serving another member agency in-lieu of District deliveries during a shutdown even if the shutdown is seven days or less.

§ 4504. Rates of Flow.

(a) Within any 24-hour period, changes in rate of flow through any service connection serving a member public agency will be limited to ten (10) percent above and below the previous 24-hour average rate of flow except when a specific request for a change in rate that would exceed such limitations has been made to the District; such requests (1) shall be made at least 6 hours in advance of the time such change is to be made; (2) shall be approved by the Chief Executive Officer only if in his judgment the change would not adversely affect the District's ability to apportion available water equitably. The Chief Executive Officer is hereby authorized to reduce the maximum obtainable rate of flow at any service connection where this regulation is being violated and in the event the capacity of the distribution system is insufficient to accommodate the above mentioned daily fluctuations in delivery rate, the Chief Executive Officer shall regulate the rates of flow at any or all service connections so as to assure equitable service to all agencies. However, the District will endeavor to meet all reasonable demands for service so long as comparable service can be provided to all member public agencies being served from a related section of the District's distribution system.

(b) When flow through a service connection serving a member public agency is reduced below ten (10) percent of the requested or actual maximum design capacity of the meter, whichever is less, at that connection during a period when the service connection turnout valve is in the open position, the member public agency will be charged as though a flow equaling ten (10) percent of the capacity of such meter were being delivered, as determined by the Chief Executive Officer, unless the District has been advised by the member public agency that no deliveries are required at that connection for a specified period. This Section 4504(b) shall not apply to those service connections which are not connected to pressure pipelines of the District or to those service connections being operated intermittently in a manner determined by the Chief Executive Officer to be of benefit to the District under conditions such that when flow does occur at these service connections it exceeds ten (10) percent of

the meter capacity. The Chief Executive Officer shall have the power to waive the requirements of this Section 4504(b), with respect to any meter where the agency served by the meter is doing everything within its capability, as determined by the Chief Executive Officer, to adjust its facilities and operations so as to be able to take delivery at rates of flow not less than ten (10) percent of the requested or actual maximum design capacity of the meter, whichever is less, at that connection during a period when the service connection turnout valve is in the open position.

(c) When flow through a service connection serving a member public agency is increased above the actual maximum design capacity of the meter, the member public agency will be charged as though a flow equaling one hundred and twenty-five (125) percent of the capacity of such meter were being delivered, as determined by the Chief Executive Officer.

(d) The Chief Executive Officer shall have the power to waive the provisions of Sections 4504(a), 4504(b) and 4504(c) for a specified period with respect to any service connection if in his judgment such a waiver will serve to accomplish the current objectives of the District and will not adversely affect the operation of the District's distribution system or impair its ability to provide service to all member public agencies.

§ 4505. Estimates of Water Requirements and Schedules of Deliveries.

(a) General. - Before April 1 of each year, each member public agency shall furnish the District, in form provided by the District, with an estimate of the amounts of water to be furnished to such member public agency by the District. These estimates will be used by the District in planning the construction needed to complete the District's ultimate aqueduct and distribution system; in planning the future operation of such system; and in preparing notices for submission to the State Department of Water Resources which will be used by the State to order power for pumping on the State Water Project.

(b) Contents of Estimates

(1) Each estimate furnished by a member public agency pursuant to Section 4505(a) shall contain, as a minimum, for each service connection and for each month of the year beginning with the succeeding July 1, and for the entire member public agency for each month of the succeeding four years, the following information:

(i) The quantity of water to be delivered by Metropolitan to the member public agency in full service.

(ii) The quantity of water to be delivered by Metropolitan to the member public agency in Interim Agricultural Water Program service.

(iii) The quantity of water to be delivered by Metropolitan to the member public agency in Seasonal Storage Service.

(iv) With regard to water estimated to be delivered in full service, the quantity of water to be used for seawater barrier groundwater replenishment.

(v) With regard to water estimated to be delivered in Seasonal Storage Service, the quantity of water to be used for:

(aa) In-Lieu Groundwater and Long-Term Storage purposes, exclusive of groundwater replenishment by spreading or injecting and direct reservoir storage; and

(bb) Groundwater replenishment by spreading or injecting.

(cc) Direct Reservoir Storage.

(2) The estimate shall constitute the member public agency's request for deliveries for the first of the five years covered therein.

§ 4506. Metering of Water.

All water delivered by the District shall be metered. Meter readings shall be made on or about the last day of each calendar month for billing purposes. Meters and control valves on water lines of the District shall be owned and operated by the District. Any member public agency may have any meter through which water is served from the District's facilities to any area within such member public agency tested by the District at any time. Any member public agency affected shall have the right to be represented by a qualified observer at and during any such tests. In the event that any such test shall disclose an error exceeding 2 percent, an adjustment shall be made in charges made to the affected member public agency, covering the known or estimated period of duration of such error, but in no event exceeding six months, and the expenses of such test shall be borne by the District; otherwise, such expense shall be borne by the member public agency requesting such test.

§ 4507. Billing and Payment for Water Deliveries.

(a) **Timeframe for Billing and Payment.** Except as noted hereinbelow, invoices shall be mailed not later than the tenth day of the month following delivery to a member public agency. Each such invoice shall indicate the date of mailing and the date on which the payment thereunder becomes delinquent and shall show the total amount of water delivered for each class of service, the charges for water sold and delivered for each class, the readiness-to-serve and capacity reservation charges, as

applicable, and the total amount due and owing, all as determined by the Chief Executive Officer. Payment of the amount shown on any such invoice shall be due on the last business day of that month and shall be delinquent if not received by the Treasurer of the District before the close of crediting activity on the last business day of the first month following such date of mailing. When making any such payment the member public agency shall specify the invoice or invoices to which the payment shall be credited by the District.

(1) For purposes of Section 4507(a), "business day" shall mean any day other than a Saturday, a Sunday, or a Holiday (as defined in Section 1106).

(2) For purposes of Section 4507(a), "received by the Treasurer of the District" shall mean receipt either (1) in the office of the Treasurer or (2) by crediting pursuant to advance agreement with the Treasurer to the District's general demand account at the District's principal depository bank, in such form that the funds are immediately available for investment or other use or disposal by the District.

(3) For purposes of Section 4507(a), "crediting activity" shall mean either (1) 2:00 p.m. if payment is delivered to the office of the Treasurer, or (2) the cutoff time for crediting by the District's principal depository bank of that day's transactions if payment is initiated by wire transfer, automated clearinghouse transfer, interbranch transfer, direct deposit, or by other means pursuant to advance agreement with the Treasurer.

If, under advance agreement with the Treasurer, a member agency has authorized payment of any invoice by automated clearinghouse transfer initiated by the Treasurer, the Treasurer shall initiate such transfer for processing two business days prior to the business day on which such payment shall be delinquent. Failure of such transfer shall not relieve such member agency from liability for such payment or charges in the event such payment should become delinquent, except as specifically provided under advance agreement with the Treasurer.

(b) **Exclusive Interim Agricultural Water Program Facility.** In the event water delivered by the District through a particular facility is used exclusively for Interim Agricultural Water Program purposes and the member public agency desires to be charged therefor at the rates for water sold and delivered for Interim Agricultural Water Service provided in Section 4401, a statement relating the facts concerning the use of water delivered through each such facility must be certified to the District in writing by a responsible officer of the member public agency at least 30 days prior to the end of each one-month period during which such deliveries are made. In cases where such use of all water delivered through a particular facility will remain the same for an extended period the initial or current certification will remain in effect until the use of the water from a certified exclusive use service connection changes. At that time a new statement relating the facts concerning the use must be re-certified to the District within 30 days.

(c) **Full Service and Interim Agricultural Water Program Facility.** In cases where water through a particular facility is delivered during any month for both full service and Interim Agricultural Water Service, the bill for water delivered in such month will be prepared by applying the rates for water sold and delivered in full service to the total quantity of water delivered. If the member public agency desires to receive credit for such water so delivered as was used in Interim Agricultural Water Service the facts concerning the quantities of water so used must be certified to the District in writing by a responsible officer of the member public agency purchasing such water as set forth in Section 4507(f) and each such certification shall cover a period of not more than one calendar month. The value of such credits shall be based on the difference in water rates in effect at the time the water is used, regardless of the date of delivery.

(d) **Exclusive Direct Groundwater Replenishment Facility.** In the event water delivered by the District through a particular facility is used exclusively for direct groundwater replenishment through spreading the member public agency shall be charged therefore at the rates for water sold and delivered for Seasonal Storage Service as set forth in Section 4401, when Seasonal Storage Service is available as determined by the Chief Executive Officer. When Seasonal Storage Service is not available, the member public agency shall be charged at the rates for water sold and delivered for full service as set forth in Section 4401.

(e) **Full Service, Interim Agricultural Water Program, and Seasonal Storage Service Program Facility.** In cases where water through a particular facility is delivered during any month for full service or Interim Agricultural Water Service or both, and for Seasonal Storage Service, the bill for water delivered in such month will be prepared by applying the rates for water sold and delivered in full service to the total quantity of water delivered. In addition to the procedures for crediting Interim Agricultural Water Program Service, if the member public agency desires to receive credit for water used in Seasonal Storage Service the facts concerning the quantities of water so used must be certified to the District in writing or electronically by computer modem or otherwise by a responsible officer of the member public agency purchasing such water as provided for in Section 4507 (f) and (h). The amount of such credits shall be based on the difference in water rates in effect at the time the water is used.

(f) **Late Certifications.** Based on available information, the District will notify a member agency for any certification that it has not received, if known, three months from the end of the month for which the agency would normally certify. No certification received after six months following the end of any month in which such a credit is claimed will be accepted. Certifications must be received by Metropolitan before 3:30 p.m. on the third working day after the end of the month to receive credit for any preceding month on the next bill, subject to the provisions with respect to late certifications in this Section. This Section applies to all cases where a certification is required to receive a credit, whether or not specifically named in this Section, unless otherwise provided by this Code.

(g) Ratio of Water Use for Full Service and Interim Agricultural Water Program Service. In the event water is delivered by the District into facilities into which water from other sources also is delivered, and the combined waters are used for Interim Agricultural Water Program Service and for full service, then the quantity of water for which the member public agency shall, upon filing the required certifications of usage, be charged at the rates charged for water sold and delivered in Interim Agricultural Water Program Service during any month shall be a ratio equal to (1) the total District Full Service supply to the participating agency's system divided by (2) the total quantity of combined waters supplied for all purposes during such month. This ratio shall be applied to total agricultural use which is intended for participation in the Interim Agricultural Water Program. This ratio will also be applied to system gains, losses and differences because of timing of meter readings attributable to Interim Agricultural Water Program use and in accordance with Section 4501 (c) of this Code.

(h) Provisions Regarding the Sale, Delivery, and Use of Interim Agricultural Water Program Water. In order for any member public agency to be charged at the rate charged for water sold and delivered in Interim Agricultural Water Program Service, such member public agency shall be subject to and shall observe the following provisions regarding the sale, delivery, and use of such water:

(1) All water sold for use for Interim Agricultural Water Program Service shall be metered, either at the District's meter where all downstream water deliveries are exclusively for Interim Agricultural Water Program purposes, or at the point where the downstream section of an agency's distribution system is used exclusively to deliver water for Interim Agricultural Program Water service, or at the point of delivery to the Interim Agricultural Program Water user.

(2) When the water delivered to a final user through a single meter is used for Interim Agricultural Water Program Service and incidental domestic uses related to residency, such final user shall be charged for, and the Interim Agricultural Water Program certification submitted to the District shall reflect, at least .06 acre-feet of water per month per single family dwelling as water sold and delivered in full service, and the balance as water used for Interim Agricultural Water Program Service. If a higher constant than .06 acre-feet is used under the retail rate structure, the certification shall reflect that higher constant.

(3) All certifications as to the Interim Agricultural Water Program use of District supplied water must be on forms provided by the District and be accompanied by data and calculations reflecting the method used in determining the quantities certified.

In the absence of the submission of certificates reciting the facts concerning the usage of water for Interim Agricultural Water Program Service, and stating that such usage was in conformity with the provisions described herein, it shall be conclusively presumed that the water was used for full service, and the District's billing shall be on this basis.

(i) **Determination by Chief Executive Officer as to Type of Delivery.** In the event the respective quantities of water sold and delivered in any month on order of any member public agency for use therein in Interim Agricultural Water Program Service or Seasonal Storage Service are not determinable to the satisfaction of the Chief Executive Officer in time for preparing regular monthly bills therefor, then billing and payment for all water sold and delivered in such month to such member public agency shall be made at the rates prescribed for water used in full service in Section 4401(a)(1) hereof. Upon the determination by the Chief Executive Officer of the correct quantities of water sold and delivered and used in Interim Agricultural Water Program Service or Seasonal Storage Service, any adjustment which is necessary to give effect to the reduced rates applicable to water used in Interim Agricultural Water Program Service or Seasonal Storage Service shall be made by application of credits on subsequent purchases of water from the District by such member public agency. Such adjustments shall not be made in cases where a claim for the reduced rates is not submitted within the period provided in Section 4507(f).

(j) **Obligation to Pay for Appropriate Class of Service.** If water has been sold and delivered at the rates prescribed for water sold in Interim Agricultural Water Program Service, Seasonal Storage Service, or other water program or contract and appropriate certifications have been submitted for the water so used, but the water has in fact been used in full service or another class of service, the member public agency shall be obligated to pay the difference between the rates prescribed for water sold for Interim Agricultural Water Service, Seasonal Storage Service, or other water program or contract and the rates prescribed for the class of service actually used.

(k) **Submission of Documentation by Member Agency.** With respect to water sold and delivered at the rates prescribed for water sold in Interim Agricultural Water Program Service, or other water programs (unless otherwise specified in an agreement with the District or excluding Seasonal Storage Service which shall follow the provisions outlined in its Handbook) original documentation supporting the use of such water as certified must be submitted no later than December 31 following the end of the fiscal year in which a certification is submitted. If the documentation is not submitted by December 31 following the end of the fiscal year in which a certification is submitted, an agency will receive a late penalty of \$2,500. If the agency does not submit documentation by February 28/29 following the end of the fiscal year in which a certification is submitted, it shall be conclusively presumed that:

(1) The water sold from the District was used for full service, and the District's next monthly billing shall reflect such adjustment; or

(2) The yield was not produced as certified and the District's next monthly billing shall reflect such adjustment.

This provision will apply individually to each program or agreement that an agency or sub-agency participates in separately.

(1) **Review Process.** With respect to water sold and delivered at the rates prescribed for water sold in Interim Agricultural Water Program Service, or other water programs (excluding Seasonal Storage Service which shall follow the provisions outlined in its Handbook) the District will complete its review within twelve months from date of receipt of the original supporting documentation.

(1) Should the District not complete its review within twelve months of the submittal of all source documentation, the review will be considered complete and the certifications final.

(2) When the review is completed, the District will notify the member agency of its initial findings for its comments. The member agency will provide its comments within 60 days. Metropolitan staff and the agency will work together to reconcile any differences.

(3) If the member agency and Metropolitan staff cannot reconcile the differences, Metropolitan's Water System Operations' Group Manager has the responsibility to consult with the member agency and make a final ruling subject to the Chief Executive Officer's oversight. If the ruling is unsatisfactory to the agency, it can be appealed to Metropolitan's Water Planning, Quality and Resources Committee.

(4) If the member agency does not provide further documentation correcting Metropolitan staff findings within the 60 day comment period as specified in (m) (2), then it shall be conclusively presumed that the District's findings are correct and the District's next monthly billing shall reflect such adjustment.

(m) **Discovery of Mistakes or Errors.** In the event a mistake or error is discovered in a District water sales record, the Chief Executive Officer shall initiate appropriate corrective action. No mistake or error made more than three years prior to its discovery shall be corrected unless otherwise specified in an agreement with the District. In the event a mistake or error is discovered by a member agency in its water sales record or certifications, no mistake or error made more than three years prior to its discovery shall be corrected unless otherwise specified in an agreement with the District.

(1) A District water sales record shall include a water billing invoice, or district invoice for other water-related charges.

(2) If the District finds the mistake or error, the discovery of the mistake or error shall be documented in writing to the member agency. The date of discovery for corrective action purposes shall be the date notice is sent to the member agency.

(3) If the member agency discovers the mistake or error, the discovery of the mistake or error shall be documented in writing to the District by either a revised certification form or letter, whichever is applicable. The date of discovery for corrective action purposes shall be the date the certification or letter is received by the District.

(4) If an incorrect invoice has been issued to a member public agency, the Chief Executive Officer shall notify the affected agency of any adjustment and the manner of making any required credit or charge, neither of which shall bear interest.

(5) Mistakes or errors shall also include but are not limited to mistakes or errors in metering or recording deliveries to member agencies, entry or calculation errors in fixed charges, discovery of errors in either a member agency or sub-agency submitted certification(s), or processing of a certification(s) for the Local Projects Program, the Local Resources Program, the Groundwater Recovery Program, Conservation Credit Program, Interim Agricultural Water Program, Seasonal Storage Service Program, or any other water management program or storage programs or agreements unless specified otherwise in the contract.

(6) Any mistakes or error for a fiscal year period that is less than five acre-feet cumulative by agency or sub-agency, by program or agreement, shall be waived.

(n) **Rate Change.** In the event that deliveries of water are made by the District to member public agencies over a billing period during which the District's water rates change, the Chief Executive Officer may cause the meters recording deliveries of water during such period to be read at the end of the period and the statement of charges for such deliveries of water may be based on a proration between the previous and new water rates for the periods of time during which each were in effect as determined by the Chief Executive Officer.

(o) **Supply Rates.** Deliveries to a member public agency shall be charged at the Tier 2 Supply Rate when the cumulative total of full service deliveries to the member public agency for the year exceeds 60 percent of the member agency's Base Firm Demand. A member public agency that executed a Purchase Order shall be charged at the Tier 2 Supply Rate when the cumulative total of full service deliveries to the member public agency for the year exceeds 90 percent of the member public agency's Base Firm Demand.

§ 4508. Additional Payment and Reporting in the Event of Delinquency in Payment for Water.

In the event any member public agency shall be delinquent in the payment for water delivered and other charges as invoiced by the District, an additional charge equal to two (2) percent of such delinquent payment for each month or portion thereof that such payment remains delinquent shall be

assessed, and the member public agency shall pay such charge to the District in addition to the amount of such delinquent payment. Notwithstanding the above, if the total period of delinquency does not exceed five (5) business days, the additional charge shall be equal to one (1) percent of such delinquent payment. Invoices for delinquencies including additional charges shall be mailed not later than the tenth day of each month. In the event any member public agency shall be delinquent for more than thirty (30) days in the payment for water, such delinquency shall be reported by the Chief Executive Officer to the Board of Directors of the District at its next meeting. The Board, in its discretion and upon such other conditions as it may prescribe after giving the member public agency a reasonable opportunity to be heard, may order the termination of service to such member public agency until all delinquent payments, including additional charges, are made to the District or may authorize such other actions as may be legally available to effectuate collection.

§ 4509. Water Restricted to Use Within the District.

In order to insure that water served by the District is not used for the direct or indirect benefit of areas outside the District, the amount of water served by the District's facilities that shall be made available to any member public agency shall be limited to an amount equal to that required for uses within the area of the District lying within, or served by or through, such member public agency. No area lying outside the boundaries of the District shall be served with water from the District's facilities, except as service to such area may, when found to be such by the Board, be a reasonably unavoidable incident to the service of such water within the District, and under such circumstances the amount of water served by the District that shall be made available to any member public agency shall be limited to an amount equal to that required for uses within the area of the District lying within, or served by or through, such member public agency. Any question of fact involved in the application of this Section 4509 shall be finally determined by the Board, after giving the member public agency concerned adequate opportunity to present pertinent factual evidence and the views of such member public agency.

§ 4510. Application of Regulations.

The provisions hereof shall not be applicable to service of water to the United States of America, or to any board, department or agency thereof, to the State of California, or to the service of surplus water under contract made in accordance with statute, but such service shall be controlled by the applicable contract.

§ 4511. Notices.

All notices and communications from member public agencies of the District, relating to the service of water or the administration of these regulations by the District, shall be addressed to the Chief Executive Officer, Post Office Box 54153, Los Angeles, California 90054.

§ 4512. Sales Subject to System and Water Availability.

All sales and deliveries of water at the rates established by Section 4401 shall be subject to the ability of the District to sell and deliver such water under operating conditions determined by the Chief Executive Officer, and, to the extent not inconsistent herewith, shall be subject to the provisions of this chapter, and Chapter 9.

With respect to water delivered for groundwater replenishment purposes, deliveries of such water may be made at the Chief Executive Officer's discretion when water and system capacity are considered available for same.

§ 4513. Equal Opportunity Requirements.

Pursuant to contract between agencies of the United States and the District, any delivery of water by the District to a member public agency shall be subject to the following provisions. For the purposes of these provisions only, the member public agency is therein referred to as "Contractor."

(a) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Federal Contracting Officer setting forth the provisions of this nondiscrimination clause.

(b) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without discrimination because of race, color, religion, sex, or national origin.

(c) The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the Federal Contracting Officer, advising said labor union or workers' representative of the Contractor's commitments under Section 202 of Executive Order 11246 of September 24, 1965, as amended, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(d) The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(e) The Contractor will furnish all information and reports required by said amended Executive Order and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the Federal Contracting Officer and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(f) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated, or suspended, in whole or in part, and the Contractor may be declared ineligible for further Federal Government contracts in accordance with procedures authorized in said amended Executive Order, and such other sanctions may be imposed and remedies invoked as provided in said amended Executive Order, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(g) The Contractor will include the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of said amended Executive Order, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

§ 4514. Seasonal Storage Service.

(a) General - The goals of the Seasonal Storage Service program are to:

1. Achieve greater conjunctive use of imported and local supplies.
2. Encourage construction of additional local production facilities.
3. Reduce member agencies' dependence on deliveries from Metropolitan during the summer months and periods of shortage.

Member agencies are encouraged to take seasonal water through a discounted rate offered by Metropolitan. This economic incentive encourages local agencies to invest in new water production, storage, treatment and transmission facilities, or to fully utilize existing facilities. These facilities are needed to augment local agencies' capability to produce local water, as well as store imported water purchased from Metropolitan during periods of abundance.

To receive the lower rates, agencies must certify to Metropolitan the amounts of imported water that they have stored in local reservoirs and groundwater basins by direct and in-lieu means. Certification forms are provided to agencies to assist in their calculations and standardize the certifications. Agencies shall comply with the administrative procedures as set forth in the most current Seasonal Storage Service Handbook, as amended from time to time by the Chief Executive Officer, to receive the Seasonal Storage Service rate on water purchased from Metropolitan.

(b) Storage Types - Seasonal Storage Service water shall be stored for long-term storage.

Long-Term Storage is that water delivered by Metropolitan to a member public agency or sub-agency for storage, by direct or in-lieu methods, beyond the 12-month Seasonal Storage Service period. Under this concept, total annual purchases from Metropolitan increase by the amount of Seasonal Storage water which qualifies for long-term storage. Water that an agency leaves in storage to replace groundwater overdraft in any previous drought year when Seasonal Storage Service was declared unavailable is considered long-term storage.

(c) Normal Period of Availability - Long-Term Storage water service shall be available between October 1 and the following April 30 whenever and so long as the Chief Executive Officer determines that water and system capacity are available. If required for Metropolitan's system regulation, groundwater replenishment by spreading or injecting or water deliveries/sales pursuant to any storage or operating agreement, may be offered to specific member public agencies during any time of the year at the Seasonal Storage Service rate at the Chief Executive Officer's discretion. In the event that excess supplies are available between April 30 and October 1, the Chief Executive Officer may make such supplies available to all agencies at the Seasonal Storage Service rate in accordance with the objectives of this program, unless limited by system constraints. If an agency should take Long-Term Storage water service when it is deemed not available by the Chief Executive Officer then it shall pay the full service rates for that water. With respect to service for direct reservoir storage and for groundwater replenishment by spreading or injecting, service availability may be activated or terminated immediately upon notice by the Chief Executive Officer to affected member public agencies. With respect to service for in-lieu groundwater replenishment or in-lieu reservoir storage, service availability may be activated upon notice to the member public agencies and terminated upon 15 days notice to the member public agencies.

(d) Certification - Member public agencies may receive seasonal storage water service only upon filing of the required certifications specified in Section 4507. All certifications as to the storage of water under the Seasonal Storage Service Program must be on forms provided by the District or in electronic format acceptable to the District. Receipt of a certification electronically by computer modem or otherwise shall be considered identical to receipt of a written and signed certification binding on the member public agency for all purposes. The Chief Executive Officer may make or cause to be made such investigations as the Chief Executive Officer may require in order to determine the quantities of water to which the seasonal storage rates shall apply. Such investigations may result in revisions either upward or downward in the amount of water actually received in Seasonal Storage Service. No such investigation shall be made unless the member public agency has requested Seasonal Storage Service and submitted the requisite certifications. The Chief Executive Officer may reject any certification if the certifying agency is unable to furnish sufficient documentation as to the facts of the certification.

[Section 4515 - M.I. 38295 - June 12, 1990; repealed by M.I. 41468 - June 13, 1995.]

§ 4517. Cooperative Storage Program.

(a) The Cooperative Storage Program that provides a means for coordinating storage capacity available to the District's member public agencies, with the District's annual carryover storage needs as those needs are determined under Subsection 4206(c). The purpose of the Program is to place additional amounts of imported water in local storage to improve regional water supply reliability within the District's service area, in a manner that will recognize local costs and risks of participating in the program, but will not adversely impact either the District's finances or the member public agencies' ability to participate in the Seasonal Storage Service Program.

(b) Storage Allocation - The Chief Executive Officer shall allocate needed storage by reservoir and by groundwater basin to optimize the availability and usefulness of the storage to the District; and shall administer the Program so that, in any fiscal year, Program water in storage shall be accessible to offset demands on the District that year by the participating member public agency pursuant to subsection (h).

(c) Availability of Water for Storage - The Chief Executive Officer may make water available during the period May 1 through September 30, for storage under the Cooperative Storage Program, upon notice to the respective participating member public agency, subject to a determination that the storage will increase the District's ability to receive imported water supplies.

(d) Application for Participation - Member public agencies may apply for participation in the Cooperative Storage Program by filing a written application containing at least the following:

(1) A verified statement that the member public agency will comply with the requirements of this section.

(2) A water supply and demand estimate based on historical data to ensure that:

(i) The agency's participation in the Program will not offset its firm purchases of water from the District, and

(ii) The agency will store additional imported District water.

(iii) The estimate may be updated if conditions change, provided the updating is first agreed to in writing by the agency and the District.

(3) A proposal for placing water provided by the District under this Program in storage available to the member public agency, and for administering that storage pursuant to this Section.

(4) An estimate of any expected losses of Program water while that water is in the proposed storage, and the method of estimating those losses.

(5) Evidence of compliance with the California Environmental Quality Act prior to delivery of imported water for placement in Program storage.

(6) If more than one member public agency overlies a common groundwater basin, the overlying member public agencies may file a joint application, with each such agency providing a separate water supply and demand estimate for its respective service area pursuant to subsection (d)(2) and any other separate information the Chief Executive Officer may require.

(e) Approval for Participation - The Chief Executive Officer shall approve an application for participation in the Program upon determination that it is consistent with the requirements of this section. The Chief Executive Officer shall approve the application in writing which shall include a monthly estimate of total demand, water purchased from Metropolitan, available local supplies, and the maximum quantity of District water which shall qualify for storage under the Program, and those figures shall be approved by signature of a duly authorized representative of the participating member public agency prior to storage of water under the Program. Any later modification to said figures must be approved by both parties in writing. The application of any modification shall not be effective until approved in writing. The District shall conduct end-of-the-year verifications of stored water.

(f) Storing Process

(1) The District will deliver at its cost, available imported water to the respective participating member public agency at its appropriate District service connection, for Program storage by direct or in-lieu methods, following verbal or electronic acceptance by that agency. This delivery shall be deemed to be a Cooperative Storage Program sale by the District to the member public agency as defined in Section 4118, subject to the payment requirements of subsection (i) and (j) of this Section.

(2) The agency will, at its cost, cause the water to be placed in storage in a manner that meets all applicable storage requirements; and shall warrant that the stored water shall not be withdrawn or used until after the District releases the stored water pursuant to this Section.

(3) Program water delivered to a member public agency shall not offset a firm water sale of District Water by that agency. If a participating member public agency's firm water purchases from the District on a monthly basis during the May through September period are less than the District's firm water sales on a monthly basis during the same period in any one of the last five years, the agency must clearly demonstrate to the District, in writing, that such reduction occurred due to the availability of unexpected local water supplies. Any resulting change in the baseline established pursuant to Subsection (e) shall be approved in writing by the Chief Executive Officer prior to becoming effective. Should the agency fail to make the required demonstration, the District shall bill the agency at the firm water rate for that portion of Cooperative Storage water delivered which will bring the firm water sales up to the agreed base amount of firm water for the month(s) in question.

(g) Storage Accounting

(1) Each participating member public agency shall maintain a Program storage account for Program water it stores, which shall account for monthly deliveries, releases, and storage losses approved by the District, if any, and other information which the Chief Executive Officer shall deem necessary.

(2) The District shall bear reasonable and equitable losses of stored water provided that the Chief Executive Officer approves the respective member public agency's justification of the loss criteria prior to placement of water into storage and shall consider those losses in allocating Program storage. Otherwise the District shall not bear any loss of stored water.

(3) Water stored under this Program shall be stored by a participating agency in such a manner as to assure that such water can be produced by that agency when released by

Metropolitan. Program water delivered to a member public agency for storage shall be considered local water produced in that year for purposes of Seasonal Storage Service.

(h) Release of Stored Water - The Chief Executive Officer shall release stored Program water to the participating member public agency in which it is stored under the following criteria:

(1) Water Delivered to Storage Prior to 1995

(i) In an fiscal year when Seasonal Storage Service deliveries are available, the Chief Executive Officer may release, up to half of the Program water stored by the respective member public agency, in place of the agency's request for delivery of Seasonal Storage Service through the District's distribution system, except for conditions described in provisions (iv) and (v) of this subsection;

(ii) In a fiscal year in which Seasonal Storage Service or Full Service deliveries have been suspended, the Chief Executive Officer shall release, and the participating member public agency shall accept, up to half of the Program water stored by the respective public agency, to the extent the agency requests that release, except for conditions described in provisions (iv) and (v) of this subsection;

(iii) During an emergency such as an earthquake, when District water service is interrupted, the Chief Executive Officer shall release up to all stored Program water stored by the respective member public agency, to the extent of the interruption in water service and that the agency requests that release;

(iv) When the Program water stored by the respective member public agency is less than ten percent of the agency's average annual purchase of Seasonal Storage Service deliveries for the prior four years, the Chief Executive Officer may release all of the Program water stored by the agency;

(v) In any fiscal year during which a participating member public agency's Seasonal Storage Service or Program water release request is less than its average annual purchase of Seasonal Storage Service of the prior four years, the Chief Executive Officer may release the Program water stored by the respective member public agency in combination with Seasonal Storage Service sales up to the agency's four-year average Seasonal Storage Service purchase. The District shall not release more than half of the Program water stored by the respective member public agency for this purpose and shall provide the agency with a 90-day advance notice of the release.

(2) Water Delivered to Storage After 1994

(i) The Chief Executive Officer may release in a fiscal year up to one-third of the total amount of Program water placed in storage by a respective member public agency in place of that agency's request for delivery of water from the District's distribution system or for Seasonal Storage Service, in order to fill Diamond Valley Lake, meet operational requirements, or reduce or eliminate shortages. Program water used to reduce or eliminate shortages, or for operational requirements may be released during any ten months selected by the Chief Executive Officer during a twelve-month period from the time of release. Program Water may be released at any time in place of the agency's request for Seasonal Storage Service.

(ii) Upon release of Program water by District, the participating member agency shall furnish to District, within 60 days, water supply and demand data based on historical information sufficient to document that it has produced the amount of Program water released to it.

(iii) The Chief Executive Officer shall release stored Program water to the respective member public agency no later than ten years after delivering it to that agency for storage.

(iv) If a member public agency receives delivery of Program water for storage after 1994, any Program water that agency has stored in previous years shall also be subject to the release provisions of this subsection (h)(2).

(v) Participating Member Public Agencies may transfer Program water they have placed into storage under the Program into other long-term water storage programs the District may develop as part of its Integrated Resource Plan under mutually agreeable transfer terms, executed in writing by both parties.

(i) Payment

(1) The participating member public agency shall pay the District's incremental costs of delivering Program water for storage plus interest at the average yield on the District's investment portfolio, from the date of delivery to the member public agency to the date of the invoice. Pursuant to the provisions of Section 4507, the District will invoice the member public agency on or about July 10 of the calendar year following the year in which the water is delivered

(2) At the time the Chief Executive Officer releases stored Program water to the respective participating member public agency the District shall invoice the respective participating member public agency pursuant to the provisions of Section 4507, at the applicable treated or untreated Seasonal Storage Service rate in effect when the respective Program water was placed in storage, less any previous payment for the incremental costs of delivering the water for storage (but not including credit for the interest required by subsection (i)(1)).

(3) Water released from storage to the participating member public agency shall be the oldest water then in storage.

(4) Readiness-to-Serve Charge Treatment.

(i) Program water delivered to storage prior to April 12, 1994 shall be exempted from the Readiness-to-Serve charge determination. Those charge determinations shall be applied to water delivered to storage after that date, except as applied in (ii) below, when the stored water is released to the participating member public agency.

(ii) The Readiness-to-Serve charge for Program water delivered for storage in 1995 shall be \$36 per acre foot and will be paid monthly as the water is released to the member public agency.

(j) Penalty - A participating member public agency shall pay the applicable treated or untreated Full Service water rates for Program water the District delivers to it for placement in storage, to the extent it fails to comply with all the requirements of this Section.

(k) Indemnification - Participating member public agencies shall indemnify and defend the District, its employees, officers and directors for any injuries or damages that may be caused as a result of placing Program water in storage, storage itself, or storage releases and related withdrawal or use of Program water.

[Chapter 6 - repealed by M.I. 41468 - June 13, 1995]

[Chapters 7, 8 and 9 – no amendments]