

IEUA MONTHLY WATER NEWSLETTER

DECEMBER 2009 (REPORTING NOVEMBER 2009 DATA)

Highlights

- **DWR Initial State Water Project Allocation 5%** - The Department of Water Resources announces lowest initial allocation from the State Water Project ever. (Page 1)
- **IEUA on Track to Comply with MWD's Water Supply Allocation Plan** - IEUA is 22% below expected imported water deliveries after 5 months of allocation. (Page 1)
- **IEUA Recharges Greatest Volume of Recycled Water** - IEUA recharged 1,210 AF of recycled water in November 2009, the greatest volume in a single month. (Page 3)

Water Supply & Drought Update

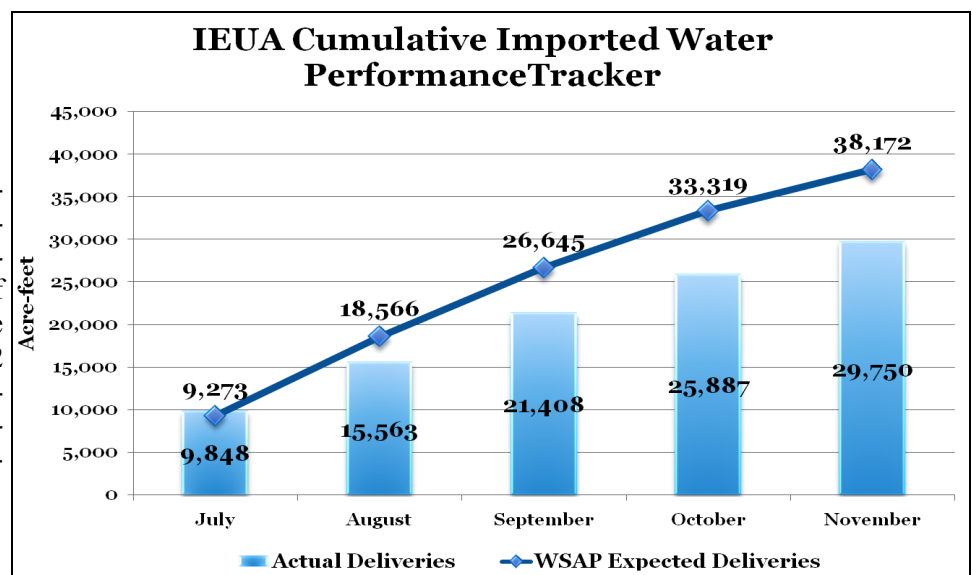


The Department of Water Resources (DWR) announced an initial allocation of 5% of total contracted water deliveries to the State Water Project (SWP) contractors for 2010. 5% is the lowest initial allocation since the SWP began delivering water in 1967. This initial allocation is a very conservative estimate of what DWR expects it can deliver. The previous low for an allocation was 10% in 1993. Last year's initial allocation was 15% but was increased to 40% in April.

Based on storage for key reservoirs at the end of the last three water years, the state entered the 2009-2010 Water Year, beginning October 1, with its key supply reservoirs at only 69% of average and 42% of capacity. Water Year 2008-09 ended with 65% of average statewide runoff.

MWD's WSAP Update

For the first five months of performance under the MWD Water Supply Allocation Plan, IEUA's service area has received delivery of 29,750 AF which is 22% under the Plan's expected delivery of 38,172 AF. Overall, the combined regional deliveries to MWD's service area were 13% less than anticipated under the Plan.



IEUA Water Supply Programs

Imported Water Deliveries

For the month of November, IEUA purchased 6,226 acre feet (AF) of Tier I water, increasing the cumulative total for the calendar year to 57,487 AF. This is 96% of IEUA's Tier I allocation of 59,792 AF (graphics showing breakouts by member agency).

Dry Year Yield (DYY) Program

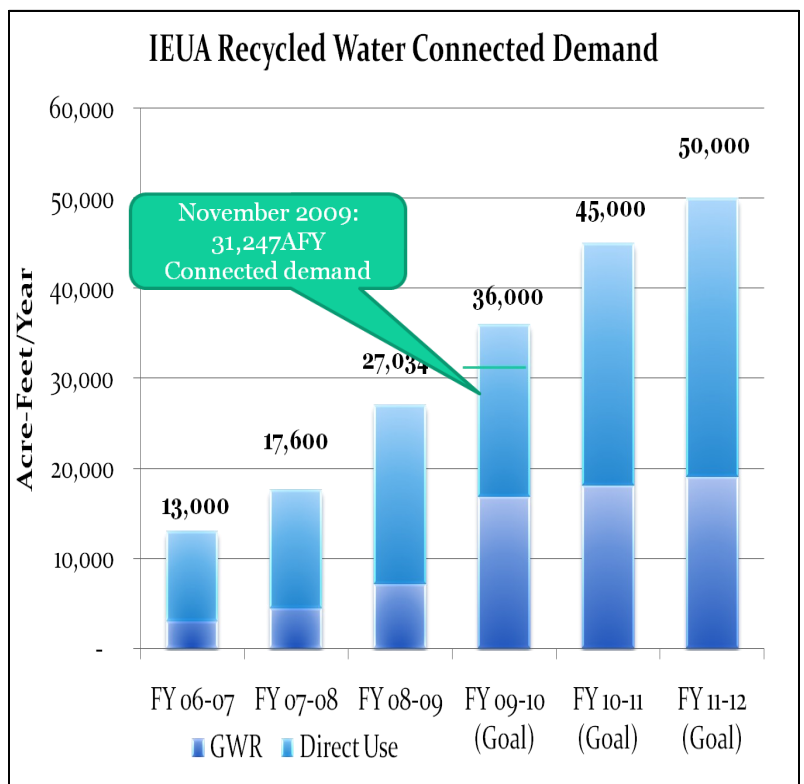
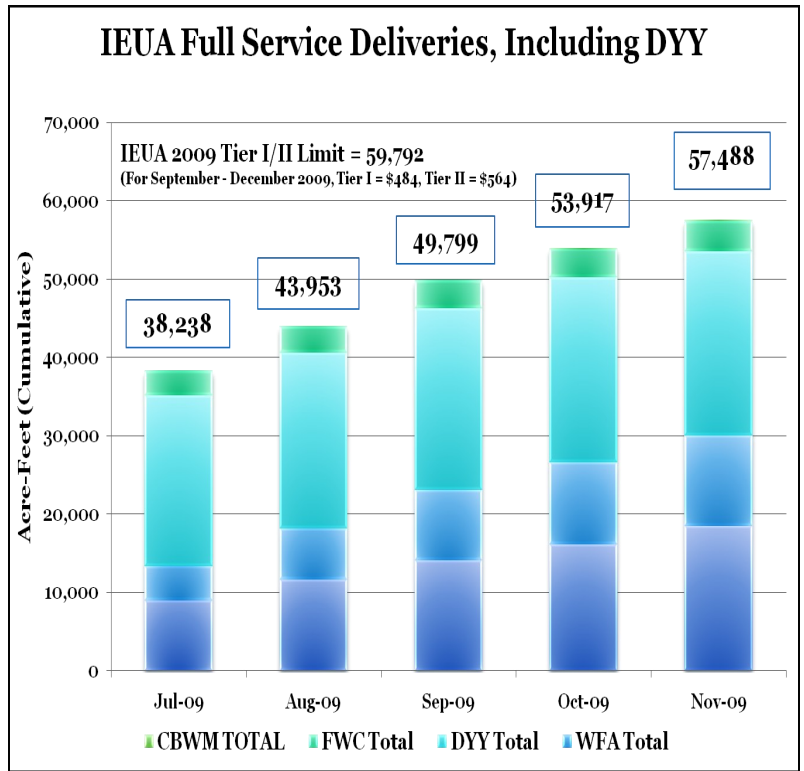
Through November of the second "call" year, IEUA DYY participants certified that they have pumped 23,624 AF (76% of IEUA's obligation of 31,000 AF) from the groundwater storage account. The City of Pomona has also certified 2,000 AF. The FY 2008/09 DYY Operating Committee Annual Report and reconciliation was complete in mid-December and can be found at www.ieua.org.

Recycled Water Program

During the month of November, IEUA sold 2,533 AF (1,323 AF = direct sales, 1,210 AF = recharge). As of November 2009, 31,247 AFY have been connected.

Recent Connections (927 AFY):

- Pier 1 Imports (Ontario, 47 AFY)
- G&K Services (Ontario, 8 AFY)
- LBA Realty (Ontario, 8 AFY)
- Godinho Equipment (Chino, 5 AFY)
- Rebuilt LLC (Chino, 5 AFY)
- Bradshaw International CVWD, 30 AFY)
- CAL Development (CVWD, 15 AFY)
- Cabot Industrial (CVWD, 9 AFY)
- Vellano GC (Chino Hills, 800 AFY)



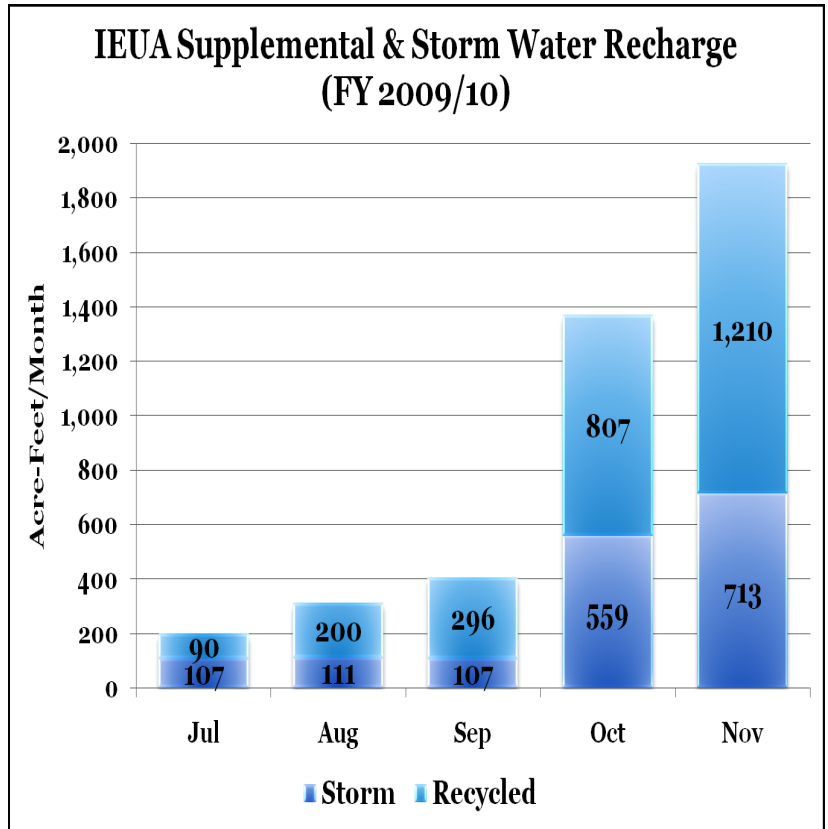
IEUA Water Supply Programs (continued)

Groundwater Recharge Program

In November 2009, IEUA recorded its greatest volume of recycled water recharged in one month, 1,210 AF!

This was made possible in part by the recent amendment to IEUA and CBWM's recycled water groundwater recharge permit. In late October, the Regional Water Quality Control Board approved the amendment which updates the methodology used by IEUA for compliance with the blend of recycled water and diluent water (stormwater and imported water). The amendment allows the blend to be calculated using a longer historical period of diluent water and allows diluent water to include groundwater in storage flowing under the recharge basins.

For the month of November, 713 AF of stormwater was recharged and 1,210 AF of recycled water was recharged.



Chino Desalter Authority (CDA)

For the month of November, the two desalters produced 2,008 AF of water (of which 1,167 AF was delivered to IEUA retail agencies). The current production capacity is 24,600 AFY and it is scheduled to be expanded to approximately 40,000 AFY by 2012, with the implementation of CDA Phase III.

Conservation Program News

MWD Conservation Programs

On December 9, 2009, MWD convened a conservation meeting to begin discussions on the FY 2010-11 conservation budget and programming. Staff communicated the budget would remain at the previous year's funding level of \$19.1 million. Staff also communicated that \$2,750,000 from prior contractual commitments would be deducted from the budget. Program discussions will resume on December 17, 2009.

Regional Rebate Program Weekly Update
Conservation Program
December 14, 2009

COMMERCIAL

Rebate Remaining Index*
(as of December 12, 2009)

Net Total Amount Reserved By Date*
Budget (\$4.0 million)

Summary

- ◆ Net total reserved amount after subtracting cancellations and expirations was \$4,108,212 as of 12/12/2009
- ◆ Reservations last week were 1897,774
- ◆ Most reservations last week were for high-efficiency toilets
- ◆ The number of weekly visitors to website: 651 (7% less than the prior week)
- ◆ For additional information, contact Bill McDonnell at (213) 217-7693

RESIDENTIAL

Rebate Remaining Index*
(as of December 12, 2009)

Total Amount Committed By Date*
Budget (\$6.0 million)

Summary

- ◆ Committed amount was \$577,848 as of 12/12/2009
- ◆ Applications totaling approximately \$46,077 were received last week
- ◆ External Affairs is working with the vendor to increase marketing activities
- ◆ The number of weekly visitors to website: 3,007 (17% less than the prior week)
- ◆ For additional information, contact Alice Webb-Cole at (213) 217-6276

* This index is an informational graphic and is not a guarantee that funds are available.
* Graph covers September 20, 2009 through December 13, 2009
* Committed includes both paid rebates and applications received that have not yet been paid.

Conservation Program News (continued)

Regional Long-Term Water Use Efficiency Business Plan

The first of several workshops was held on December 1, 2009. With all member agencies in attendance, the workgroup reviewed and evaluated service area demand, existing regional conservation programs, and began development of new future programs. The next workshop will be held in January to review program weighting and ranking.

Rebates Issued and Water Savings

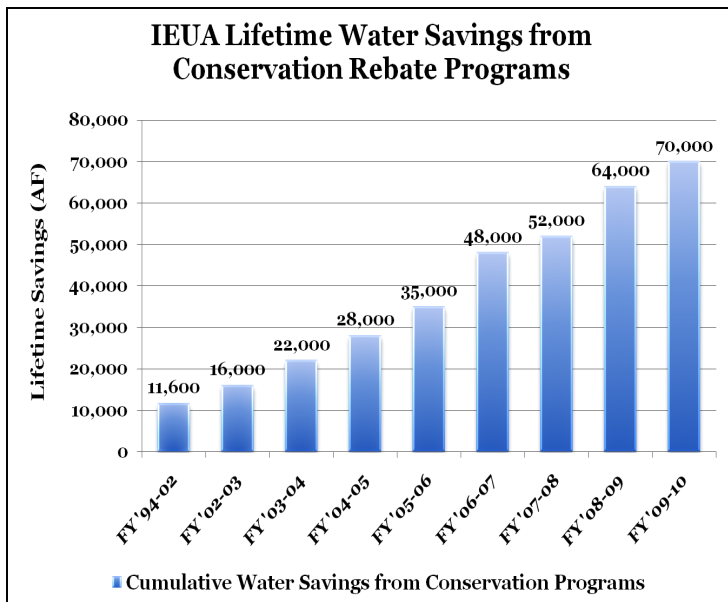
The cumulative expected lifetime water savings from rebates, retrofits, and water conservation devices installed in IEUA's service area currently totals an estimated 70,000 acre feet. Additional details on specific residential and CII rebates through November 2009 can now be viewed on IEUA's webpage at <http://www.ieua.org/conservation/conservation.html>.

Inland Empire Landscape Alliance & Model Landscape Ordinance

Cities participating in the Inland Empire Landscape Alliance continue to bring their ordinances to their respective councils. Cities without an ordinance adopted by January 1, 2010 will default into the DWR's model ordinance and continue work to adopt their individual ordinances as quickly as possible. The Landscape Alliance Technical Committee will resume holding monthly meetings in February. A series of Best Management Practices city tours has been proposed for the spring.

Garden in Every School®

K-12 student volunteers and landscape architecture university students from Cal Poly Pomona have almost completed the demonstration garden in the Chino Creek Wetlands & Educational Park. The garden will be dedicated at IEUA's Earth Day event on April 22, 2010.



Calendar of Upcoming Events and Meetings

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|-------------------|---|
| February 6, 2010 | Volunteer Work Party in the Chino Creek Wetland and Educational Park (8:00am—12:00pm) |
| February 13, 2010 | Chino Walks in the Chino Creek Wetland and Educational Park (8:00am) |
| February 18, 2010 | IELA Technical Workshop (IEUA Anza Conf. Room, 10:00am—12:00pm) |
| March 17, 2010 | IELA Board Meeting (Board Room 3:00pm—4:00pm) |
| April 15, 2010 | Rainbird Award Panel (Washington DC) |
| April 22, 2010 | Earth Day (Chino Creek Wetlands and Educational Park, 4:00 pm - 7:00 pm) |