QUANTIFICATION SETTLEMENT AGREEMENT



The 2003 Quantification Settlement Agreement (QSA) ■ enabled California to implement major Colorado River water conservation and transfer programs, and settled decades of dispute over Colorado River water use while stabilizing water supplies for up to 75 years and reducing the state's demand on the river to its 4.4 million acre-foot annual entitlement. It also provided a restoration path forward for the environmentally sensitive Salton Sea.

THE PARTIES

The completion of the QSA required the commitment and combined efforts of these organizations:

- San Diego County Water Authority
- Coachella Valley Water District
- Imperial Irrigation District
- Metropolitan Water District of Southern California
- State of California
- U.S. Department of the Interior

BENEFITS

The QSA provides basin-wide, state, and regional benefits, including:

- Promoting efficient use of Colorado River water and conservation programs that support the long-term sustainability of the river.
- Providing a means for California to live within its 4.4 million acre-foot basic annual apportionment of water from the Colorado River through voluntary agriculture-to-urban conserved water transfers, the lining of the All-American and Coachella canals, and other water supply programs.
- Salton Sea Restoration Creating a pathway for the state's Salton Sea restoration efforts, which led to the development of the Salton Sea Management Program Phase I: 10-Year Plan, adoption of a final stipulated order by the State Water Resources Control Board acknowledging additional agreements and commitments reached among key stakeholders, and securing over \$400 million to date to support projects at the sea.

• Water Supply – Facilitating conserved Colorado River supplies through the conserved water transfer with the Imperial Irrigation District (IID) and canal lining projects. The Water Authority's QSA supplies serve over half of the region's demands and support the Water Authority's efforts to create a diversified, reliable supply portfolio.

MAJOR FEATURES

- Quantifies IID's Colorado River entitlement at 3.1 million acre-feet per year
- Quantifies CVWD's Colorado River entitlement at 330,000 acre-feet per year
- Settles disputes among the four agencies and seven states that share the Colorado River
- Provides for large-scale conserved water transfers:
 - IID-Water Authority transfer, ramped up to 200,000 acre-feet per year in 2021, from IID to the Water Authority for up to 75 years
 - IID-MWD transfer of 105,000 acre-feet per year from IID to MWD
 - IID-CVWD transfer ramped up to 103,000 acre-feet per year from IID to CVWD
 - PVID-MWD transfer of between 33,000 and 133,000 acre-feet annually from the Palo Verde Irrigation District to MWD
- Provides for concrete lined portions of the All-American and Coachella canals, which conserve and transfer 77,700 acre-feet per year to the Water Authority through 2112, and 16,000 acre-feet per year to several San Diego County Indian bands to resolve a decades-old water rights dispute.



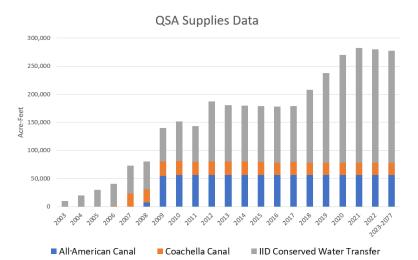






Total conserved water made available to the Water Authority through the QSA Projects

45 years 9.9 million acre-feet 75 years 18.3 million acre-feet 110 years up to 21.0 million acre-feet



CONSERVED WATER TRANSFER WITH IID

The Conserved Water Transfer between the Water Authority and IID is the cornerstone of the QSA and is the largest agriculture-to-urban water transfer in the nation. The Water Transfer Agreement established that the Water Authority would receive up to 200,000 acrefeet (AF) of conserved water per year for up to 75 years through efficiency-based water conservation measures implemented by IID, measures funded in part by the Water Authority. In 2021, the conserved water transfer made up 39 percent of the Water Authority's water supply.



CANAL LINING PROJECTS

Through the QSA, the Water Authority also receives conserved water from its investments in the lining of the Coachella and All-American canals, funded in part by the state. The Coachella Canal Lining Project, completed in 2007, conserves 26,000 acre-feet per year. The All-American Canal Lining Project, completed in 2010, conserves 67,700 acre-feet per year. Under the agreement, the Water Authority receives 77,700 acrefeet of the conserved water (plus any unused mitigation water) per year for 110 years. Several bands of Mission Indians in northern San Diego County – known as the San Luis Rey settlement parties – receive the remaining water to settle a water rights dispute with the federal government and decades of litigation. In 2021, the water conserved from the canal lining projects made up 16 percent of the Water Authority's water supply.

DELIVERING QSA SUPPLIES TO THE REGION

Because the Water Authority has no direct connection to the Colorado River, the Water Authority pays the Metropolitan Water District of Southern California (MWD) to deliver the Water Authority's QSA supplies through MWD's Colorado River Aqueduct to San Diego County through an exchange agreement.







