

Equal Access to Groundwater



What is the problem?

The Orange County Water District (OCWD) is limiting Irvine Ranch Water District's ability to pump low cost groundwater when compared to other north Orange County water agencies by implementing a policy that excludes recycled water from total water demand calculations. This imposes an unfair financial burden on IRWD customers.

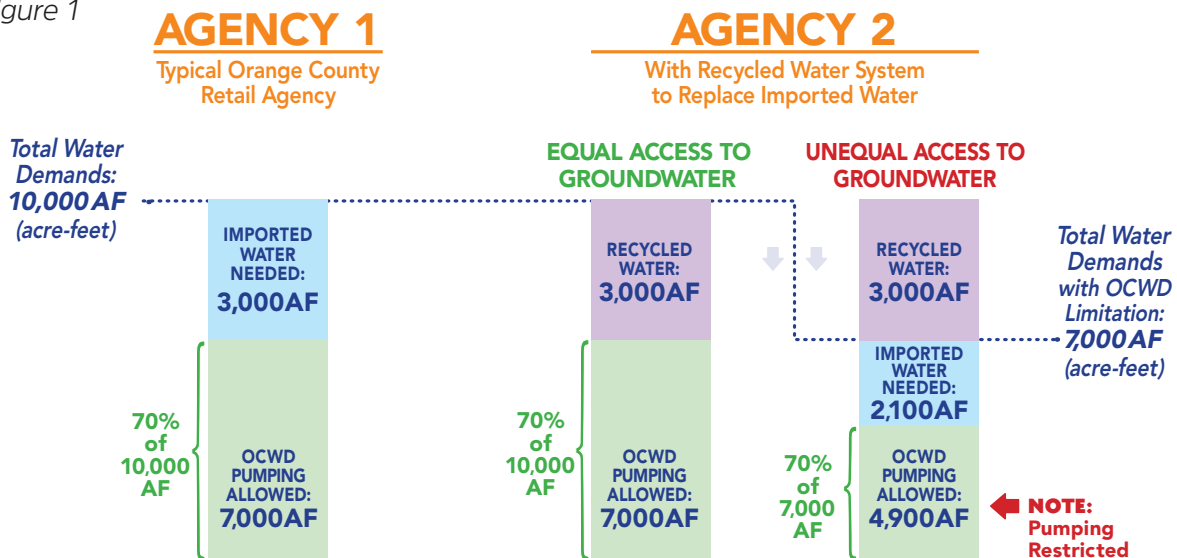
How are water resources managed in Orange County?

North Orange County meets the total water demands of its residents through groundwater, imported water, and other water supplies. The region is fortunate to have access to a large groundwater aquifer, managed for over 80 years by OCWD. OCWD manages the amount of groundwater in the basin by establishing an allowable percentage of groundwater that the retail water agencies can pump relative to the agencies' total water demands. Groundwater pumped in excess of this percentage is subject to additional fees and assessments. As a "managed" groundwater basin, the benefits of groundwater are intended to extend equally and fairly to all north Orange County retail water agencies and their customers.

Local groundwater is the lowest cost and most reliable supply of water for north Orange County, while imported water is the highest cost of water for the region. In order to reduce

their dependence on costly imported water supplies, some retail water agencies have invested in other sources to meet their customers' water demands. For example, IRWD, starting in the 1960s, took the initiative to reduce its dependence on imported water supplies by developing a recycled water system. Over the past 50 years, the customers of IRWD have invested upwards of \$600 million in an innovative recycled water system that has improved regional water supply reliability and reduced the need for costly imported water supplies. IRWD customers have enthusiastically supported ongoing investments in the development of their recycled water system knowing that water is too valuable to be used only once and that reducing reliance on imported water is good resource management. The wise investment made by IRWD customers in a recycled water system should not be penalized by an OCWD policy.

figure 1



This graphic illustrates how an Agency which owns and operates a Recycled Water system would be forced to pump less groundwater as a result of the OCWD policy to exclude Recycled Water.

For additional information, contact IRWD:

info@irwd.com • www.equalaccesstogroundwater.com • 949-453-5300 • 15600 Sand Canyon Ave., Irvine, CA 92618

Equal Access to Groundwater *(con't)*

So how does OCWD's policy unfairly harm IRWD?

Unfortunately, an existing OCWD policy is unfairly shifting the benefits associated with IRWD's investments in its recycled water system away from IRWD customers. OCWD's current policy specifically excludes IRWD's recycled water demands from what it considers "total water demand," thereby artificially reducing the amount of high quality, low cost local groundwater that IRWD is allowed to pump. A graphical explanation is provided (see **figure 1** on page 1).



IRWD Recycled Water Pumps. Michaelson Plant, Irvine.

By maintaining this policy, OCWD is shifting the benefit of IRWD's investment in a recycled water system away from IRWD customers. OCWD's policy penalizes the use of recycled water, imposes an unfair financial burden on IRWD customers, and is contrary to state law and California water policy.

What is a fair solution?

To resolve these issues, IRWD has requested that OCWD recognize that recycled water meets customer demands, just like the imported water that it replaced, and modify its policy to allow recycled water to count as part of an agency's total water demand. This will end the unfair shift of benefit away from IRWD customers and will allow for fair and equal access to low cost groundwater among north Orange County water agencies. This policy shift would also align with OCWD's strong belief that water recycling should be promoted, not discouraged.

Why now? Seeking fairness.

For many years, IRWD has attempted to develop an equitable change in OCWD's unfair policy. This year, as a direct result of this policy of penalizing the use of recycled water, IRWD is faced with being assessed additional groundwater fees, estimated at approximately \$2 million. To protect the interests of its customers, IRWD has taken action by filing a complaint with the Superior Court of the State of California. While IRWD is still hopeful that discussions with OCWD will resolve the issue, IRWD believes that this lawsuit is needed now to facilitate a change in OCWD policy, to preserve the benefits of IRWD's investments in its recycled water system, and to protect IRWD customers from additional costs imposed through higher rates.