

Early 1990s Drought — MWD Reductions and WA Actions

During the 1987 to 1992 drought, MWD implemented the Incremental Interruption and Conservation Plan (IICP), a water shortage allocation plan. In the IICP, MWD reduced non-firm (agricultural) deliveries at a higher percentage than in-firm (municipal and industrial). The Water Authority did not follow MWD’s cut back method for different classes of customers and instead **applied the reduction uniformly** among all customers.

- [April 17, 1990](#): MWD Board approved the Drought Action Plan '90. MWD “urge[d] all counties, water suppliers, and public and private water users within Metropolitan's service area to reduce total water demands by at least 10 percent in 1990, as compared to 1989.” See the [April 3, 1990](#) memo for more information.
- [August 21, 1990](#): MWD staff proposed the IICP. A public hearing was scheduled for September 10, 1990 (see MWD minutes from the [September 11, 1990](#) MWD Board meeting) before the Water Problems Committee to discuss the IICP. Member agencies had until September 24, 1990 to submit written statements regarding the IICP. On October 8, 1990, the Board considered written and oral statements about the IICP.
- [November 20, 1990](#): MWD adopts the IICP. The MWD Board implemented Stage I of the IICP effective December 1, 1990. See [November 20, 1990](#) MWD Board memo for more information about Stage I.
- [December 11, 1990](#): MWD adopts Stage (or Phase) II of the IICP (Resolution 8292). MWD remained in Stage I through the end of January and implemented Stage II effective February 1 to give member agencies time to respond to the Stage II measures. See [December 10, 1990](#) MWD memo for more information about implementing Stage II.
- [December 13, 1990](#): WA adopted resolution to implement MWD’s IICP. Instead of reductions by class of service, WA adopted **uniform reductions** applied to all services. See the [November 29, 1990](#) WA Board memo for more information.

IICP Phases	MWD Reductions		Estimated CWA Reductions
	In Non-Firm Deliveries	In-Firm Deliveries	
Phase I (Voluntary)	5%	5%	5%
Phase II	20%	5%	7.8%
Phase III	30%	10%	14.7%
Phase IV	40%	15%	21.6%
Phase V	50%	20%	28.5%

- [January 8, 1991](#): MWD adopts Stage III (Resolution 8298) of the IICP effective March 1, 1991, following the implementation of Stage II on February 1, 1991. The Board cancelled

implementation of Stage II and moved immediately to Stage III of the IICP (language pulled from February 7, 1991 MWD Board memo linked below). See the [January 4, 1991](#) MWD Board memo for more information.

- [February 12, 1991](#)¹: MWD adopts IICP Stage V (Resolution 8303) effective March 7, 1991, skipping IICP Stage IV. See the [February 7, 1991](#) MWD Board memo for more information.
- [February 14, 1991](#): WA approves the first Drought Response Plan, which coordinates all WA activities with the implementation of the IICP. The plan matched drought response water conservation activities (WA’s model water management ordinance at the time) with MWD’s IICP stages to avoid confusion between the two. The Drought Response Plan was made up of four main components:
 - A drought response program, including implementation of the IICP and recommended water savings techniques for water users and member agencies.
 - Conservation programs.
 - Member agency assistance activities.
 - Public information activities.
 See [February 8, 1991](#) WA Board memo for more information.
- [March 4, 1991](#): MWD added **Stage VI** to IICP and adopted the revised IICP to be effective April 1, 1991 at special meetings of the Water Problems Committee and the Board. See [February 26, 1991](#) MWD Memo for more information.

IICP Stage	Reduction in Non-Firm	Plus Conservation of Firm Deliveries	Expected Savings	
			Acre-feet per Year	Percent
Stage I	Voluntary	Goal 10%	100,000	-
Stage II	20%	5%	260,000	10%
Stage III	30%	10%	430,000	17%
Stage IV	40%	15%	600,000	24%
Stage V	50%	20%	770,000	31%
Stage VI	90%	30%	1,230,000	50%

- [March 14, 1991](#) (see [March 11, 1991](#) WA board memo for more information): WA Board enacted Ordinance 91-1 to respond to MWD implementing Stage VI of IICP as a result of DWR further decreasing deliveries from the State Water Project. The ordinance:
 - Established a consistent set of water use prohibitions throughout the WA’s service area to reduce water demands and
 - Developed a procedure for restricting deliveries to allocated levels.

The ordinance stated again in Stage IV that the reductions would be applied uniformly among all customers. This is the language from the ordinance: “... future available imported supplies be

¹ There are two sets of minutes for the February 12, 1991 MWD Board meeting on the MWD website. This set of minutes includes the discussion of implementing Stage V of the IICP (#38729).

fairly and uniformly allocated among the Authority's member agencies so that water, essential for domestic use, sanitation and fire protection, will remain available throughout the duration of the drought..."

- [April 9, 1991](#): Due to "March Miracle" rains, MWD Board returned to IICP Stage V effective April 1, 1991. See [March 28, 1991](#) MWD Memo for more information.
- [April 11, 1991](#): WA Board adopted Ordinance 91-2 in a response to MWD returning to Stage V of the IICP because DWR increased State Water Project allocation to 20 percent. The March precipitation and a reduction of demands has improved the supply situation to the point that the WA experienced an imported water shortage of approximately 30 percent. Ordinance 91-2 was a modification of Ordinance 91-1. Read the [April 10, 1991](#) WA Board memo for more information.

IICP Disincentive Charges after the "March Miracle"

- [July 9, 1991](#): The MWD Board approved holding the IICP disincentive charges and incentive payments at \$394 and \$99, respectively, until the end of September 30, 1991, as recommended in the General Manager's Letter dated [June 7, 1991](#).
- [Nov 19, 1991](#): The MWD delayed disincentive assessments for all agencies under the IICP for October, November, and December 1991. See [November 5, 1991](#) memo for more information.

History of MWD and WA's Agricultural Discounts

MWD (See [October 14, 2008](#) WP&S Committee memo and [June 24, 2014](#) presentation for more information about the program.)

- MWD's authority to provide water under the any discounted agricultural water rates is governed by the Metropolitan Water District Act, Section 132, Sale of Surplus Water and MWD must declare a surplus of water to offer a discount.

(a) A district may provide, sell and deliver surplus water not needed or required for domestic or municipal uses within the district for beneficial purposes, but shall give preference to uses within the district. The supplying of surplus water shall be subject to the paramount right of the district to discontinue that supply in whole or in part, and to take and hold, or to provide, sell and deliver, that water for domestic or municipal uses within the district, upon one year's written notice to the purchaser or user of that surplus water. The notice shall be given by the board whenever the board determines and declares, by resolution adopted by a two-thirds vote, that the water is needed or required for domestic or municipal uses within the district.

(b) For the purposes of this act, any water purchased at the uniform rate or rates established by the district for domestic or municipal uses and used for beneficial

purposes with that district shall be deemed to be water for domestic or municipal uses and not surplus water.

- 1958: First discounted rates for agricultural users with a 25 percent discount from the basic rate.
- 1990 – 1992: MWD cuts agricultural deliveries between 5 to 90 percent (see tables above).
- [May 10, 1994](#): MWD’s Interim Agricultural Water Program (IAWP) established. MWD’s IAWP provided agricultural participants with a discounted water rate in exchange for the ability to reduce deliveries in times of shortage.
- [October 2008](#): MWD voted to phase out the IAWP over a period of four years, from 2009 to 2012.
- IAWP deliveries were reduced by 30 percent in 2008 and 2009, and by 25 percent in 2010.
- December 31, 2012: IAWP phased out.

Water Authority (see WA Board memo from [December 9, 2009](#) and [2019 TSAWR handbook](#) for more information)

- [October 23, 2008](#): The WA established the Transitional Special Agricultural Water Rate (TSAWR) program for customers choosing to opt out of the IAWP. Agricultural customers receive a lower level of water service during water shortages or emergencies. In exchange, they are exempt from paying storage and other charges from the Water Authority that help fund programs that provide greater water supply reliability during shortages or emergencies.
- April 26, 2012: WA Board extended the TSAWR program for two additional years to sunset on December 31, 2014.
- June 25, 2015: As part of the Fiscal Sustainability Process, the Board approved a five-year extension of the TSAWR program, through December 31, 2020.
- Calendar Year 2019 WA agriculture [rates](#): \$731/AF for untreated and \$1,007/AF for treated.

MWD Act Section 132 [Sale of Surplus Water]

MWD Act Sec. 130 describes its general powers to provide water services, which include the sale and delivery of water at “wholesale for municipal and domestic uses and purposes.” Until 1999, the only means MWD had to sell water for agricultural purposes was through Sec. 132: sale of surplus water. But this surplus water is “subject to the paramount right of the district to discontinue that supply...” Following the 1990s drought, the Water Authority worked with MWD and added Sec 132.(b)² to the MWD Act that permitted agricultural water users who pay full MWD rates to be considered as M&I users and not subject to the surplus clause.

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² MWD Act Sec. 132.(b): *For the purposes of this act, any water purchased at the uniform rate or rates established by the district for domestic or municipal uses and used for beneficial purposes with that district shall be deemed to be water for domestic or municipal uses and not surplus water.*

Water Shortage Contingency Plan: Section 3, Table 3-2 Timeline of Significant Drought and Shortage-Related Events (2014-2017)

<https://www.sdcwa.org/sites/default/files/Water%20Shortage%20Contingency%20Plan%20August%202017.pdf>

[February 13, 2014](#) - Special Board of Directors Meeting: Declare implementation of Stage 1, Voluntary Supply Management, of the San Diego County Water Authority's Water Shortage and Drought Response Plan and notify the Water Authority member agencies of a Regional Drought Response Level 1, Drought Watch condition (Action)

[July 24, 2014](#) - Notify the Water Authority member agencies of a Regional Drought Response Level 2, Drought Alert condition, and declare Stage 2 of the San Diego County Water Authority's Water Shortage and Drought Response Plan. (Action)

[May 14, 2015](#) - Special Board of Directors Meeting: Approval of Shortage Management Actions in Response to Metropolitan Water District Supply Cutbacks and State Water Resources Control Board Emergency Regulation for Statewide Urban Water Conservation. (Action)

[March 24, 2016](#) - Modify Shortage Management Actions in Response to Securing Drought-Resilient Supply Credits under State Water Resources Control Board Emergency Regulation for Statewide Urban Water Conservation. (Action)

[May 26, 2016](#) - Drought Management Actions In Response To Rescission of Water Supply Allocation by Metropolitan Water District of Southern California and Actions of the State Water Resources Control Board (Action)

[January 26, 2017](#) - Approve a Resolution Declaring an End to Drought Conditions in San Diego County. (Action)