

EXHIBIT A to RESOLUTION NO. 08-__

SANTA FE IRRIGATION DISTRICT INTERIM AGRICULTURE WATER PROGRAM SUPPLY REDUCTION PLAN AND RELATED WATER CONSERVATION AND REGULATORY PROGRAM

All capitalized terms not otherwise defined herein shall have the meanings given to such terms in District Resolution No. 08-__.

Retail Water Supply and Demand

1. The District has three sources of water:
 - a. Imported water from the San Diego County Water Authority
 - b. Local Water from Lake Hodges
 - c. Recycled water from the San Elijo Joint Powers Authority

2. Three-Year Historical Monthly Water Use Pattern

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Treated Imported													
FY 2004	37.7	39.7	13.6	0.0	265.0	231.1	2.9	1.2	6.4	10.0	9.5	12.8	629.9
FY 2005	7.0	9.3	8.8	14.7	307.9	24.1	0.0	38.8	0.0	69.4	294.9	31.0	805.9
FY 2006	31.0	48.1	34.8	19.3	13.8	16.9	372.6	1.6	0.0	0.2	0.9	78.8	618.0
Untreated Imported													
FY 2004	1,106.3	1,242.6	1,402.6	1,223.8	615.0	526.6	752.0	564.1	741.0	1,100.6	1,248.0	1,478.9	12,001.5
FY 2005	1,531.4	1,554.8	1,253.6	685.1	281.6	544.7	126.8	207.1	216.0	697.0	712.1	1,161.9	8,972.1
FY 2006	1,200.1	1,303.2	1,316.6	926.7	869.0	683.1	163.5	432.7	88.3	228.0	747.4	1,014.4	8,973.0
Local													
FY 2004	350.0	282.6	0.0	9.0	0.0	0.0	0.0	0.0	0.0	0.0	172.2	96.9	910.7
FY 2005	109.4	249.9	109.0	307.2	0.0	0.0	0.0	6.5	54.5	74.4	69.5	253.2	1,233.8
FY 2006	263.8	210.5	114.0	94.1	173.7	249.4	21.8	296.4	344.1	496.0	479.6	239.8	2,983.1
Recycled													
FY 2004	64.5	65.4	59.5	39.7	24.1	23.3	12.6	18.2	26.6	46.4	62.0	66.5	508.8
FY 2005	66.5	68.7	57.2	26.7	12.5	16.6	1.5	4.3	5.9	40.0	58.1	62.3	420.2
FY 2006	66.7	74.8	52.3	34.0	32.3	20.0	18.7	25.9	7.3	18.1	42.1	60.3	452.5
Total All Purchases													
FY 2004	1,558.5	1,630.3	1,475.7	1,272.5	904.1	781.0	767.5	583.5	774.0	1,157.0	1,491.7	1,655.1	14,050.9
FY 2005	1,714.4	1,882.7	1,428.6	1,033.6	602.0	585.4	128.3	256.7	276.5	880.8	1,134.6	1,508.5	11,432.0
FY 2006	1,561.6	1,636.6	1,517.8	1,074.2	1,088.8	969.4	576.6	756.6	439.7	742.3	1,269.9	1,393.3	13,026.6

3. Three-Year Historical Monthly IAWP Water Usage Pattern

IAWP	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
FY 2004	22.0	15.0	30.0	15.0	18.0	7.0	14.0	7.0	11.0	10.0	24.0	20.0	193.0
FY 2005	36.0	18.0	26.0	9.0	10.0	6.0	1.0	1.0	2.0	3.0	14.0	14.0	140.0
FY 2006	24.0	18.0	27.0	13.0	15.0	8.0	9.0	4.0	1.0	2.0	12.0	14.0	147.0

Uses of IAWP Water Within the District

1. Types of crops being cultivated, growing season, pattern of water use for various crops, vulnerability to cutback.:

Participants primarily grow citrus trees. No other specific data is available.

2. Maps showing regions in retail service areas receiving IAWP water deliveries:

See Attachment 1 hereto and by this reference incorporated herein.

District IAWP Administration

1. Communication protocol for reduction of IAWP water to Participants:

By letter dated December 20, 2007, the District notified each Participant of the following information respecting deliveries of IAWP water and their participation in the IAWP:

- Effective January 1, 2008, the Participant must reduce consumption of his or her IAWP water by 30% from the amount the Participant consumed in the Base Year (as hereafter defined).
- The fiscal year 2007 (July 1, 2006 through June 30, 2007) is the base year for purposes of calculating the amount IAWP water to be reduced (the “Base Year”).

After the adoption of Resolution No. 08-__ and this District Reduction Plan:

- The District will send each Participant a notice of the District’s adoption of the District Reduction Plan and the Fee, and the amount of the Participant’s Allocated Amount (as hereinafter defined) calculated by the District in accordance with the District Reduction Plan.
- The District will provide additional communications and notices to Participants as appropriate in accordance with Resolution No. 08-__ and the terms and provisions of this District Reduction Plan.

2. Retail agency and end-user reduction targets:

The District has historical usage information which it has used to determine the targeted total consumption with the appropriate percentage cutback for the District and for individual Participants, including each Participant’s consumption of IAWP water for the past five fiscal years.

3. Methodology for Calculating Participant’s Allocated Amount

The District shall determine an annual water consumption budget for each Participant which identifies the amount of IAWP water allocated to the Participant for the calendar year (“Allocated Amount”). To calculate the Allocated Amount for each Participant, the District shall conduct the following steps. **First**, the District shall determine the total amount of water delivered to each Participant in the Base Year. The District shall then subtract from this total amount (i) the amount of Local Water that was included in such deliveries (the “Local Water Allocation”) and not sold at the IAWP rate to the Participant; and, if applicable, (ii) the amount of IAWP water delivered to the Participant that MWD has determined to be used by the Participant for domestic use and not sold at

the IAWP rate to Participant (the “MWD Domestic Allocation”). This calculation will result in the Participant’s Base Year IAWP water consumption amount. Second, the District shall subtract from the Participant’s Base Year IAWP water consumption amount thirty (30) percent of such amount, the difference of which shall equal the Participant’s Allocated Amount.

The formula for calculating the Allocated Amount for each Participant is as follows:

Step 1 Determination of Participants’ Base Year IAWP Water Consumption Amount

$$\begin{array}{r} \text{Water Delivered to Participant in Base Year} \\ \text{minus Local Water Allocation} \\ \text{minus MWD Domestic Water Allocation (if applicable)} \\ \hline \text{equals Participant’s Base Year IAWP Water Consumption Amount} \end{array}$$

Step 2 Determination of Participant’s Calendar Year 2008 Allocated Amount

$$\begin{array}{r} \text{Participant’s Base Year Water Consumption Amount} \\ \text{minus Thirty Percent Reduction in IAWP Certified Water} \\ \hline \text{equals Participant’s Allocated Amount} \end{array}$$

4. Methodologies for administering/enforcing reduction:

The District will notify each Participant of his or her Allocated Amount. Each Participant’s meter will be read and billed bi-monthly. Participant bills will include the current billing period actual water consumption, the annual billing target, and a cumulative water consumption figure that will show program year-to-date performance. Any Participant exceeding his or her Allocated Amount after twelve months will be subject to the imposition of the Fee.

At the end of twelve months, the District will reconcile each Participant’s bill. If a Participant’s consumption of IAWP water exceeds his or her Allocated Amount, the District will send a notice to the Participant of the amount of water consumed by the Participant in excess of his or her Allocated Amount and the amount of the Fee to be imposed by the District on the Participant. Any Participant exceeding his or her Allocated Amount at the end of the twelve-month period will have a permanent reduction in the amount of water he or she can certify as part of the IAWP equal to the amount he or she exceeded his or her Allocated Amount. In the event of such permanent reduction, the District shall notify the Participant of the permanent reduction and recalculate the Participant’s Allocated Amount to reflect this permanent reduction.

5. Methodologies for Monitoring and Verifying Participant IAWP water reduction:

The District will monitor IAWP water consumption for all Participants on a monthly basis to ensure that the District is staying within MWD's IAWP reduced allocation. This will be done through the District's customer billing program, from which specific IAWP water deliveries are used to complete the monthly IAWP certification. Participants' Allocated Amounts will be based strictly on the Base Year, reducing their consumption by the required 30% from IAWP certified numbers. No other source of water will be available to Participants.

6. Information to be Provided to MWD:

The District staff will provide any information requested by MWD staff for spot checks. The District will maintain detailed records, as is currently done, showing IAWP Participant consumption and subsequent calculations for allocations and actual IAWP certification to MWD. In the event of any additional reductions in IAWP water deliveries from MWD, the District shall notify the Participants of such reductions and provide the Participants with any changes to the Allocated Amounts as appropriate.

7. The District Reduction Plan and related water conservation and regulatory program incorporate the terms and conditions of Resolution No. 08-____ as though set forth in full herein.