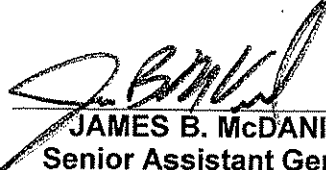
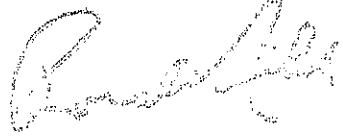


LOS ANGELES DEPARTMENT OF WATER AND POWER (LADWP)
INFORMATIONAL BOARD LETTER

TO: BOARD OF WATER AND POWER COMMISSIONERS		DATE: January 24, 2013
 JAMES B. McDANIEL Senior Assistant General Manager – Water System		SUBJECT: Response to Board Request LADWP REQUIREMENTS FOR OWENS LAKE AGREEMENTS
 RONALD O. NICHOLS General Manager		
		FOR COMMISSION OFFICE USE: This Informational Board Letter was transmitted to all Board Members on:

Summary

The Los Angeles Department of Water and Power (LADWP) dust mitigation efforts on Owens Lake have been undertaken incrementally in response to a series of individual orders by the Great Basin Unified Air Pollution Control District. The Owens Lake Master Plan efforts are aimed at creating a cohesive long-term plan for dust mitigation that protects and/or enhances other environmental and public values on Owens Lake and also calls for the efficient use of water only where it is a necessary option for dust control or where it can provide multiple benefits.

At the January 11, 2013, LADWP Board of Commissioners meeting, Water System staff received comments from the Board regarding the Owens Lake Dust Mitigation Project (Project) and progress of the Owens Lake Master Plan. Additionally, staff was directed to report to the Board a list of needs LADWP would require in *any* environmentally-focused plan that would steer the dust mitigation efforts in a better and sustainable direction while also protecting the water customers of LADWP whose bills pay for all of the City's commitments and investments at Owens Lake.

Background

In early 2010, LADWP convened a broad collaborative process to develop a "Master Plan" for the Owens Lakebed. The committee is composed of diverse state and local governmental agencies and interest groups.

The Master Plan focuses on several key goals, including continued dust mitigation, preservation of habitat, achievement of significant water conservation, protection of cultural resources, creation of local economic opportunities, and overall improvements to public access, recreation, and aesthetics.

The heart of the technical work was the development of a habitat suitability model (HSM) that derives a "habitat value" based on physical characteristics such as water depth and salinity, topographic relief, vegetation cover, and the individual requirements of various species present

on the lake. Through this process it has been determined and mapped by location that it is feasible to maintain or improve existing lake-wide habitat value over broad areas of the Owens Lakebed while reducing water demand by 50 percent.

Response to Request

Any modification of existing dust mitigation will require significant "re-investment" by LADWP, funded by water rates. The Board recognized that there are certain objectives and components in any future Owens Lake plan that LADWP "must have" in order to commit to a significant investment in money and resources to achieve a more sustainable and eco-friendly result at Owens Lake.

In response to the Board request, the requirements necessary to create a "balanced" plan that warrants a renewed investment of resources are listed below. Note that changes to State Law and the State Implementation Plan (SIP) may be necessary to put these in place permanently:

- Acceptance of Master Plan elements that protect or improve the habitat and public benefit goals within the areas where LADWP dust controls currently exist.
- Reduction in the amount of Los Angeles Aqueduct water applied to Owens Lake for dust mitigation by at least 50 percent to lessen Los Angeles' need for water from other California sources.
- Lawfully-established limit of 45 square miles of dust controls that Los Angeles is responsible to construct and maintain.
- Approved new waterless dust control methods.
- Allowance to transition sufficient areas of the lakebed without penalties.
- Easement or other indisputable, permanent right to execute and maintain the lakebed according to the plan provisions.
- Allowance to utilize groundwater under the lakebed to achieve the full habitat goals.

Request for Guidance

The staff seeks guidance from the Board regarding how to proceed in order to quickly and efficiently complete a plan that can be endorsed by LADWP that sets a better and more sustainable path forward at Owens Lake.

MLA:rdn

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