

October 21, 2005

Mr. Mansour Nasser
City of San Jose Municipal Water System
3025 Tuers Road
San Jose, CA 95121

Subject: Water Demand and Conservation Projections used in Santa Clara Valley Water District's 2005 Urban Water Management Plan

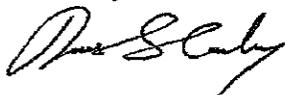
Dear Mr. Nasser:

The Santa Clara Valley Water District (District) has prepared county-wide water demand and conservation projections in five-year increments to year 2030 for use in the District's 2005 Urban Water Management Plan (UWMP). These projections are based upon ABAG 2005 census tract data, San Francisco Public Utilities Commission projections, and water use projections provided by major retailers. We are providing you with these projections (Table 1) so that you can use them in the City of San Jose's 2005 UWMP. Additionally, Table 2 provides projected 2030 water demand information submitted by each major water retailer. We have compared these demands to the District's estimated County-wide demand projected every 5 years to 2030.

The District's Integrated Water Resources Planning Study (IWRP 2003) found that shortages up to 5% could be managed through demand reduction programs and voluntary cutbacks without significant economic losses to the community. The District uses this as a long-term investment planning goal to ensure that in any given year there is never a water shortage greater than 5% of the total demand in that year. IWRP 2003 provides a framework for additional water supply under a variety of future scenarios. These additional investments together with the "no regrets" water portfolio allow the District to reliably meet retailer projected demands to 2030. As part of the UWMP 2005, we performed long term water supply modeling and analysis that show that countywide demands can reliably be met under normal, dry, and multiple dry year scenarios.

The District's 2005 UWMP has additional information regarding existing and future supplies. The Draft UWMP can be found on our website - www.valleywater.org. If you have any questions or need additional information, please don't hesitate to call me at 408-265-2607, extension 3751.

Sincerely,



James S. Crowley
Water Supply Sustainability Planning

Table 1

Projected Water Demand and Conservation Projections (aff/year)

Year	2004 (ACTUAL) ¹	2005	2010	2015	2020	2025	2030
M&I Demand ²	351,600	360,558	385,194	414,645	441,445	466,600	492,371
Agricultural Demand ³	29,000	30,000	30,000	30,000	30,000	30,000	30,000
Subtotal All-Demand	380,600	390,558	415,194	444,645	471,445	496,600	522,371
Post 2000 Standard Conservation Programs, No Washer Standard ⁴	(24300) ⁶	12,984	23,191	30,065	37,983	42,790	45,200
Added Conservation 2003 draft IWRP No Regrets Option ⁵	N/A	0	10,000	15,000	20,000	25,000	28,000
Total Water Conservation Savings – 2000 Base year	N/A	12,984	33,191	45,065	57,983	67,790	73,200
Total County-wide Demand	380,600	377,574	382,703	395,980	405,463	425,810	449,171

¹ 2004 Calendar Year Recorded Use by SCVWD

² SFPUC Customer Demand + SCVWD Demand for Non-SFPUC Retailers - ABAG Projections 05

³ Agricultural demand projections are based upon metered and reported use of 2004 agricultural water. They were held constant to 2030.

⁴ District Added Water Conservation Savings using existing programs and regulations. Realized savings from 1992 -2000 removed as 2000 is base year water use

⁵ District Additional Water Conservation Savings from IWRP 2003 No Regrets Building Blocks

⁶ 1992 to 2000 Water Conservation Program Savings, realized in actual water use.

Table 2

Retailer/SCVWD Demand Projections

RETAILER/SCVWD DEMAND PROJECTIONS IN ACRE-FEET 2030 COMPARISON				
Agency	Retailer Projections	Source	SCVWD Projections	
	2030 Demand			
Milpitas, City of	21,600	SFPUC 03 ¹		
Mountain View, City of	17,900	SFPUC 03		
Palo Alto, City of	17,900	SFPUC 03		
Purissima Hills Water District	3,700	SFPUC 03		
Santa Clara, City of	40,000	SFPUC 03		
Stanford University	8,000	SFPUC 03		
Sunnyvale, City of	33,000	SFPUC 03		
Gilroy, City of	15,000	Master Plan 04		
Morgan Hill, city of	13,400	Master Plan 02		
San Jose Water Co	214,500	UWMP 05 Draft		
San Jose Municipal Water (minus CVSP)	49,800 ²	UWMP 05 Draft		
Great Oaks Water Co. (minus CVSP)	10,700 ³	UWMP 05 Final		
Cal Water Service Co.	15,100	UWMP 04 Final		
Coyote Valley Specific Plan	18,500	SCVWD ⁴		
Subtotal	479,100		475,400	99.2%
County Wide				
Independent Groundwater Pumping	17,000		17,000	
Subtotal	496,100		492,400	
Agriculture	30,000		30,000	
County Wide Conservation	-73,200		-73,200	
Total	452,900		449,200	99.2%

¹ San Francisco Public Utility Commission, SFPUC Wholesale Customer Water Demand Projections (URS 2004). Pre-conservation data obtained from Bay Area Water Supply and Conservation Agency (BAWSCA)

² San Jose Municipal Water demand in their draft UWMP was 68,300. The CVSP development was included in their demand projections. Since the District is forecasting CVSP demand separately, it was deducted from San Jose's projections.

³ Great Oaks Water demand in the UWMP for 2030 was 29,201 Acre-feet. The CVSP development was included in their population projection. Since the District is forecasting CVSP demand separately, it was deducted from Great Oaks projections.

⁴ Santa Clara Valley Water District April 2005 Water Supply Availability Analysis for CVSP (projected range of 16,000 to 20,000 af/yr)