

EXHIBIT 59

AVEK's Strategic Plan For Water Supply Reliability

Draft

Plan Overview and Concept

1/8/2013

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Date 1-13-14 *Apr 13*

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Strategic Water Reliability Plan

Slide 1

Historic financial plan

- **Fixed Costs**

- The fixed costs to construct the infrastructure and to transport water to the Antelope Valley are funded through a property tax

- **Variable Costs**

- The variable costs to deliver water such as energy and treatment are contained in the water rate

Historical Financial Plan cont.

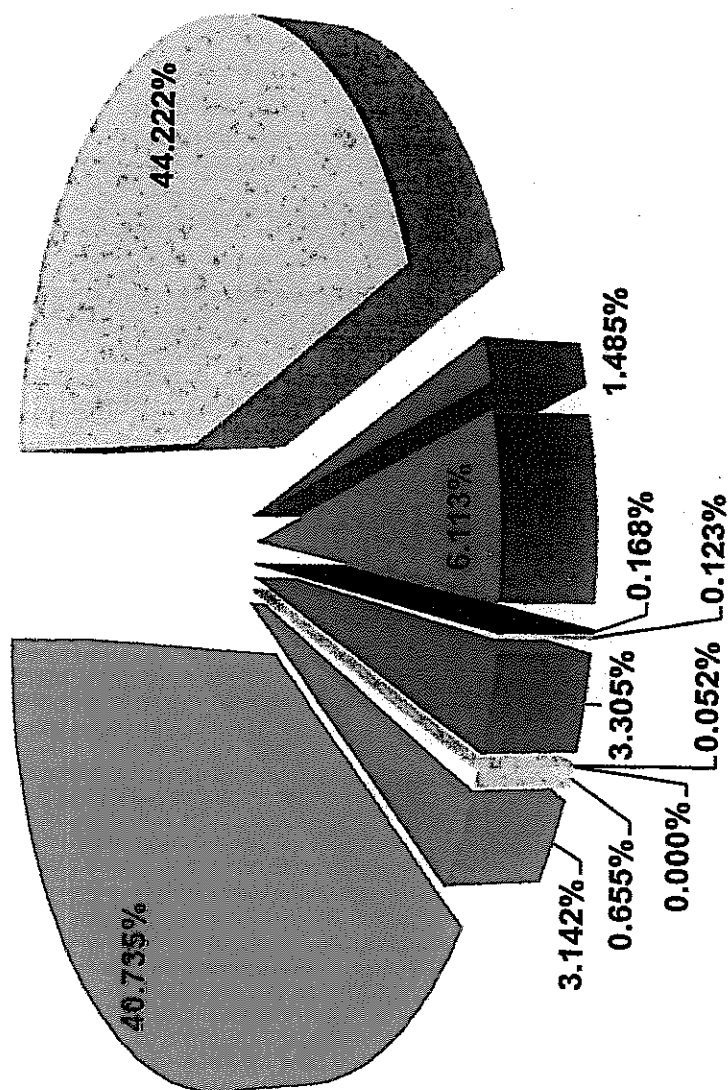
- **Current Water Rate Structure**
 - The Postage Stamp rate for the variable costs was established consistent with the shared fixed capital component
 - This system has been in place since the Agency started delivering water in 1976
 - Only a small portion of the service area receives SWP water
 - Thus non users help pay for users water supply
 - In an effort to achieve equity the postage stamp rate has been used to recognize this financing system

Fixed Portion of SWP Funded by Property Tax

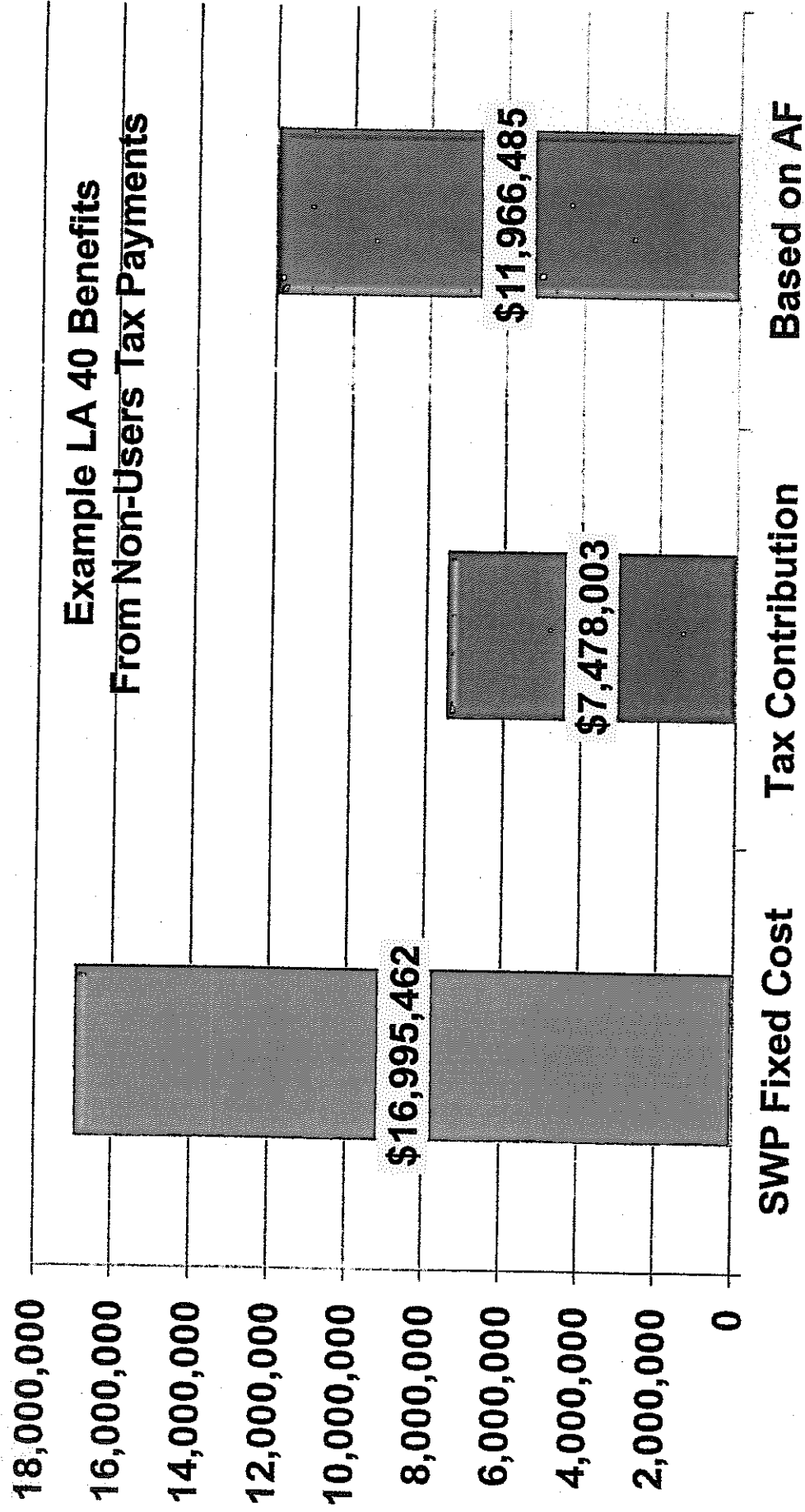
- The availability of imported water is a benefit to all lands
- Lands that are using SWP water benefit in that they are not paying for all the costs of a water supply
- State Water Project 2013 Annual Cost is:
 - Fixed Portion \$16,995,462 collected on tax bill
 - Variable Portion \$17,502,422 on water rate — ? slide #13

Percent of AV by Retailer & Other

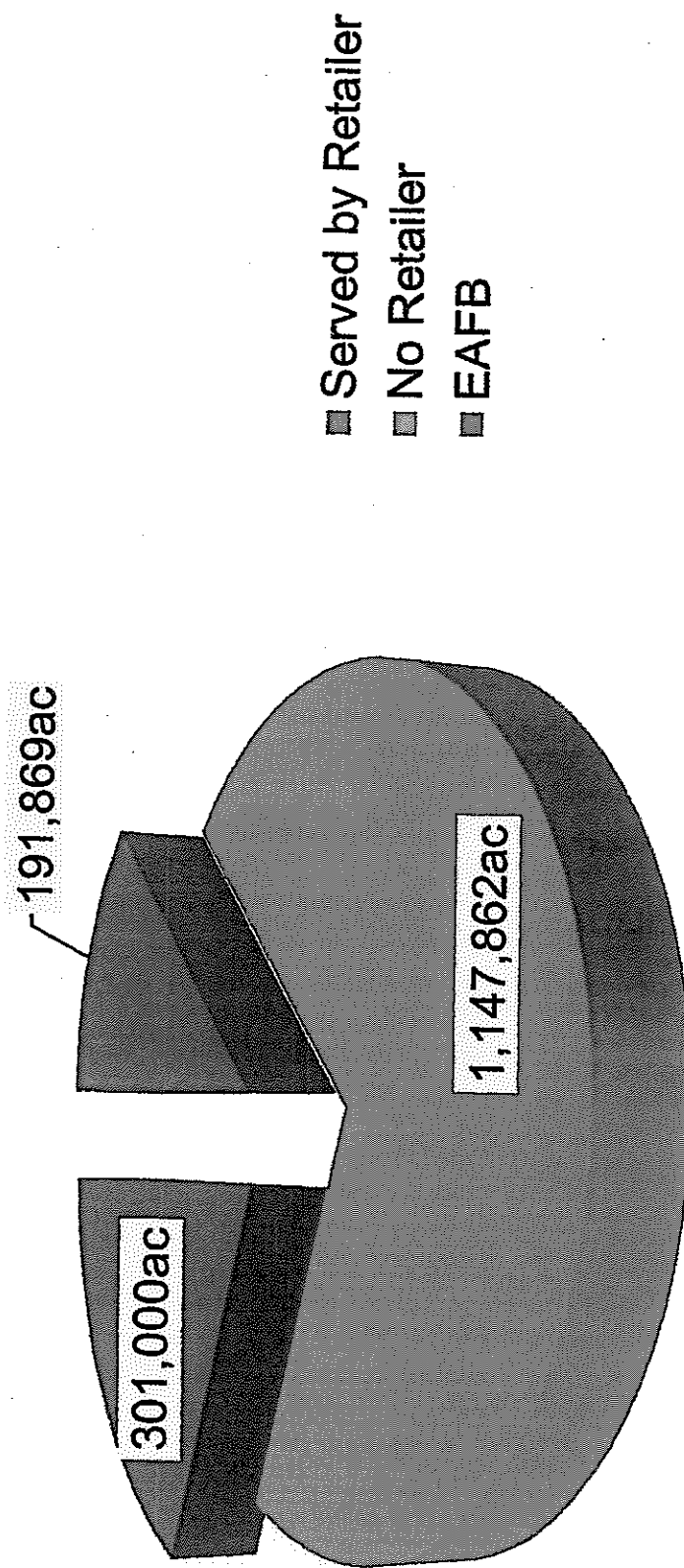
- LA40
- PRID
- QHWD
- WVCWD
- BCSD
- CC
- DLCSD
- EAFB
- MPUD
- RCSD
- Private or no retailer



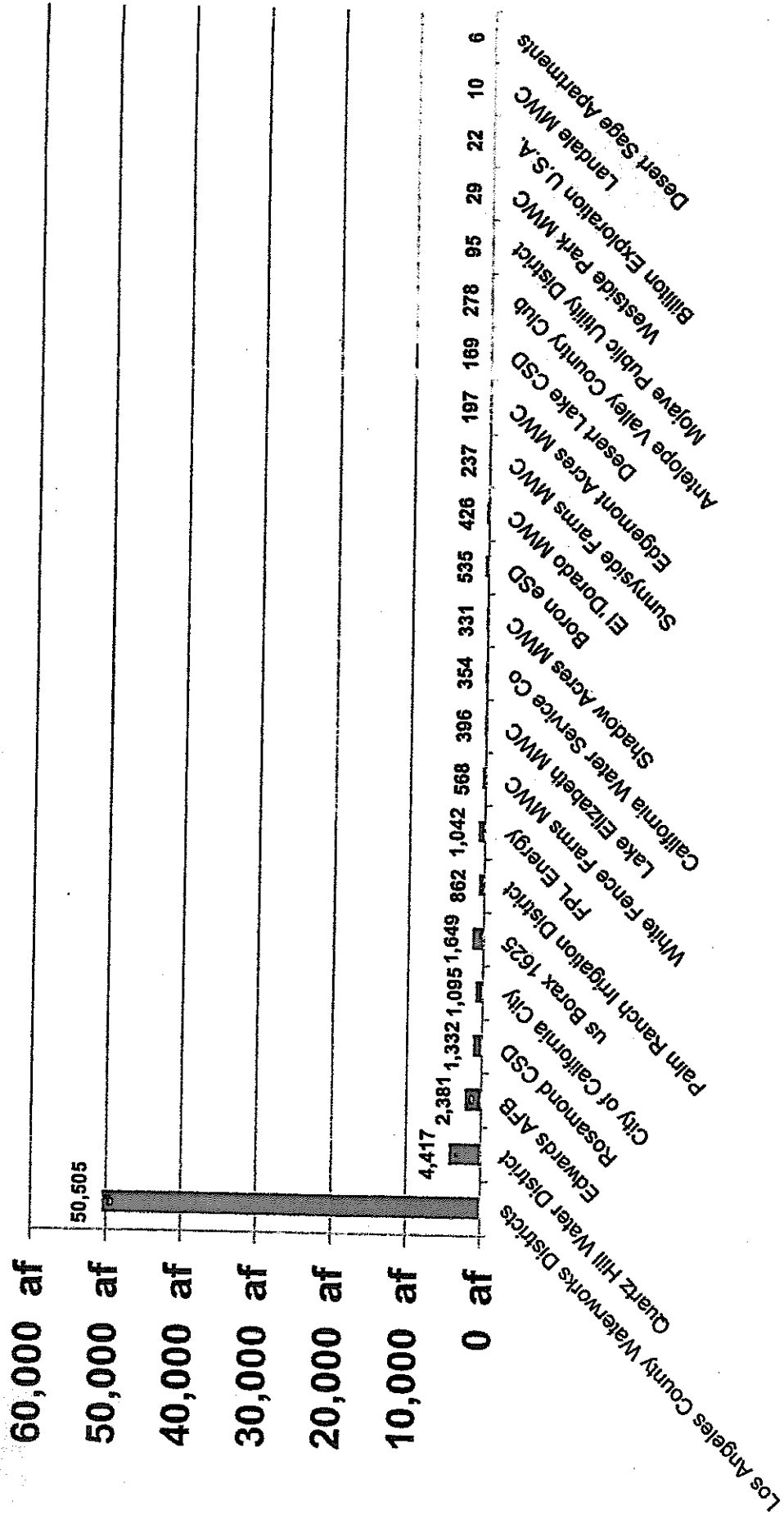
Example - Benefit to Existing Users From Non-Users



Portion of AVEK Served by Retailers



2010 Water Sales



AVEK Retailers

Water Distributed	2008	2010	% of Total for 2010
Sales to water purveyors (AF/Y)	65,540	66,935	
Los Angeles County Waterworks Districts	49,414	50,505	75.4538%
Quartz Hill Water District	4,322	4,417	6.5989%
Edwards AFB	2,330	2,381	3.5572%
Rosamond CSD	1,303	1,332	1.9900%
City of California City	1,071	1,095	1.6359%
US Borax 1625	1,649	1,649	2.4636%
Palm Ranch Irrigation District	843	862	1.2878%
FPL Energy	1,019	1,042	1.5567%
White Fence Farms MWC	556	588	0.8486%
Lake Elizabeth MWC	387	396	0.5916%
California Water Service Co	346	354	0.5289%
Shadow Acres MWC	324	331	0.4945%
Boron CSD	523	536	0.7993%
El Dorado MWC	426	426	0.6364%
Sunnyside Farms MWC	232	237	0.3541%
Edgemont Acres MWC	193	197	0.2943%
Desert Lake CSD	165	169	0.2525%
Antelope Valley Country Club	278	278	0.4153%
Mojave Public Utility District	93	95	0.1419%
Westside Park MWC	28	29	0.0433%
Billiton Exploration U.S.A.	22	22	0.0329%
Landate MWC	10	10	0.0149%
Desert Sage Apartments	6	6	0.0090%