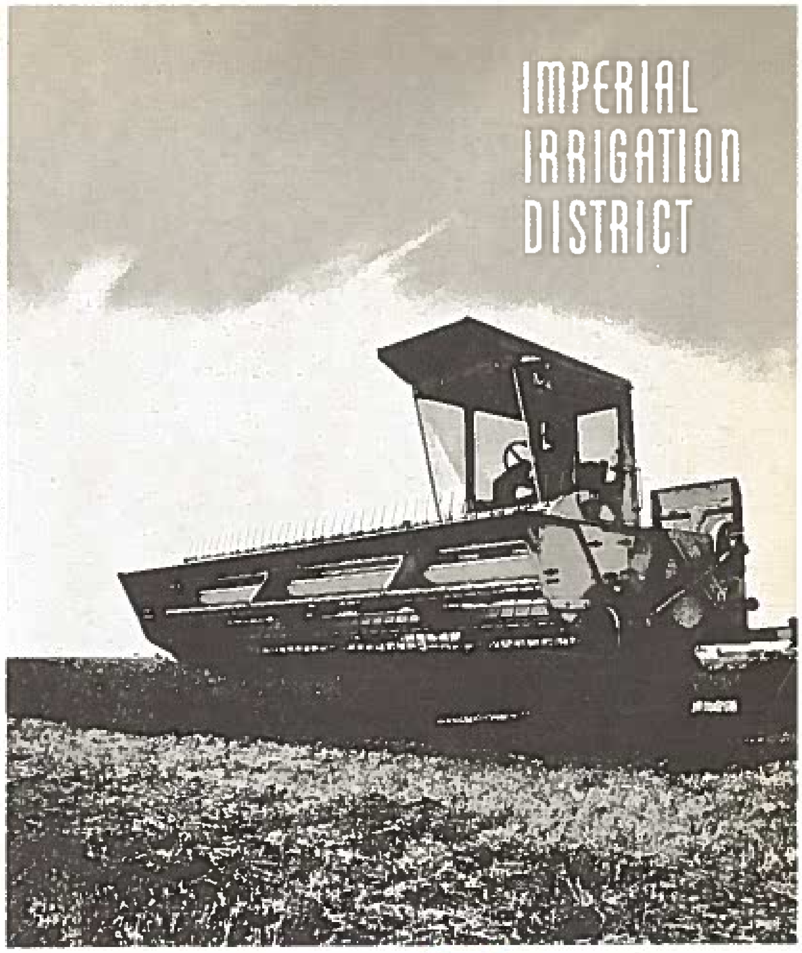
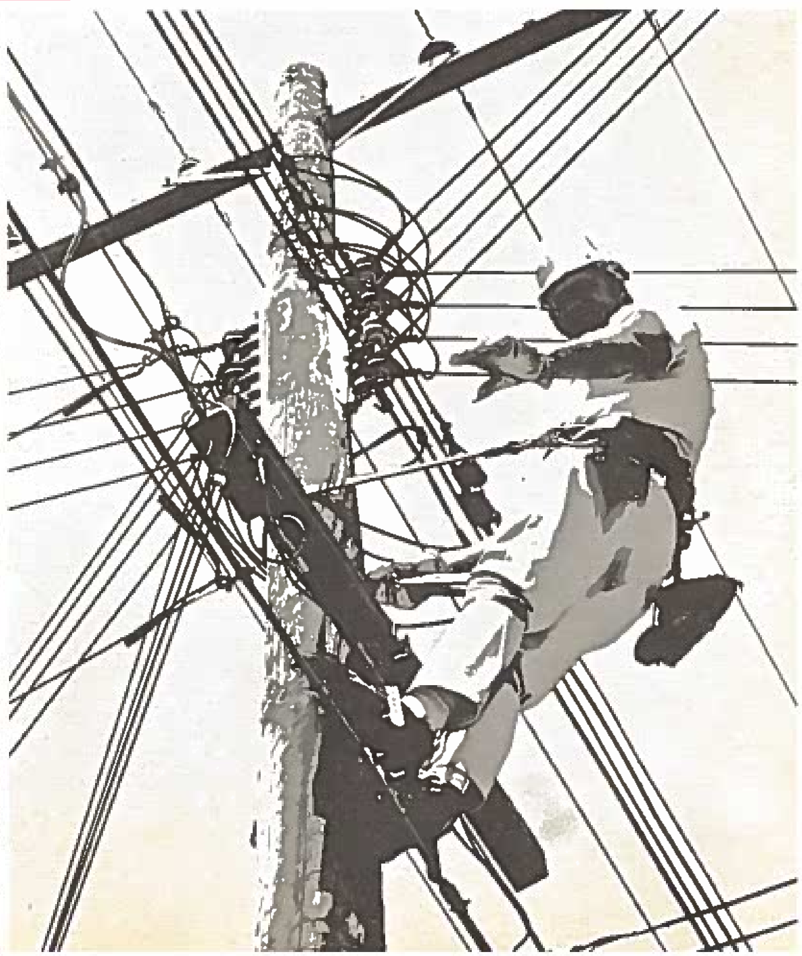
IMPERIAL IRRIGATION DISTRICT



975 ANNUAL REPOR



IMPERIAL IRRIGATION DISTRICT

annual report for the year **1975**

CONTENTS

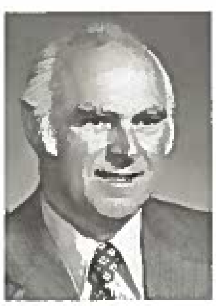
COVER PHOTOGRAPHS BY MARVIN L. WIEBEN

Board of Directors

R. L. Thompson
President
Division 1

J. J. Anderholt
Vice-President
Division 5

Joseph D. Moore
Division 2



Bernard Galleano
Division 3

A. Neal Jack
Division 4

PRESIDENT'S MESSAGE

It is my pleasure to report that the year 1975 has been one of progress for the Imperial Irrigation District.

Capital expansion of the power and water systems during the year totalled $5,747,947, paid entirely from revenue, and bonded indebtedness was reduced by $1,315,000.

Facilities have been modernized and major additions made to the water system and planned for the power system.

The District has continued its assistance to geothermal exploration in the Salton Sea, East Mesa and Heber areas. Negotiations are under way for the purchase of power from a 10-megawatt geothermal unit under construction by San Diego Gas and Electric Company northwest of Calipatria and another unit programmed for construction by Magma-SDG&E south of Heber.

Due to the high cost of oil, a board-management decision was made to move forward with construction of Drop 5 hydroelectric plant on the All-American Canal.

The Mexican government initiated negotiations with the District for 140 cubic feet per second in the All-American Canal, with delivery to be made at the junction of the All-American Canal and West Side Main Heading. From that point, water would be transported to the city of Tijuana in an aqueduct to be constructed by the Mexican government. Water thus delivered would be accounted for within the limitations of the 1944 treaty with Mexico.

The District, to conserve water and control the elevation of Salton Sea, made a concerted effort to make beneficial use of all water diverted from the Colorado River and delivered to the land within its boundaries.

Labor relations have been good, with meet-and-confer sessions held regularly in accordance with the agreement reached with the Employees Association and the International Brotherhood of Electrical Workers. District wages and fringe benefits are competitive with those of other utilities.

Newly elected directors Gerald L. Moore of Division 2, Paul A. Mitchell of Division 4, and Alfred Singh of Division 5 were seated on the Board of Directors at the reorganizational meeting held December 26, 1975.

It was a pleasure for me to preside as president of the Board of Directors during 1975. Through the combined efforts of employees, management and the board, the challenges of the future will be met.

GENERAL MANAGER'S REPORT

Nineteen seventy-five was a year marked by a turn-around in the nation's economy, with a recession bottoming out in late spring and a consequent lessening in the rate of inflation. Although the economy improved, the prices for all equipment and materials essential to District operations – including fuel for power generation, as well as purchased power – were at an all-time high. Continued vigilance was required in all areas of District operations to hold the line on expenditures and costs, while at the same time maintaining a high degree of performance in serving our water and power customers.

Robert F. Carter
General Manager

The fuel and energy adjustment charge imposed to recover the added costs of fuel and energy, though lower than anticipated, was a major factor in maintaining the District's income sufficient to provide undiminished service to its customers.

An annual increase in kilowatt-hour sales of only one per cent for the second consecutive year and the fact that the average residential kilowatt-hour usage decreased 1.6 per cent in 1975 indicate that the District's power customers are continuing to exercise effective energy-conservation measures.

The District continued to cooperate in a number of early-stage geothermal projects. The development of earth energy, as well as solar and wind energy, will help conserve the nation's nonrenewable fossil fuel resources. It is not likely, however, that they will prove to be a panacea for solving the problem of high electric energy costs. Nuclear-powered generation appears to be the most promising immediate interim source of electric energy; but it, too, will be expensive, requiring enormous capital outlays which are beyond the reach of small utilities except for fractional participation. The District remains alert to each of these possibilities.

The continued efficiency of District canal operations was demonstrated by the fact that 88.8 per cent of the 3,056,890 acre-feet of water received at Pilot Knob was delivered to users. Individual users *must* achieve greater farm efficiency in their use of water by providing adequate moisture for their crops plus the amount required for leaching *without wasting water.*

To aid in this area of District concern, a water quality and soil specialist has been employed to head up the District's water quality and resources program, as well as to administer the District's National Pollution Discharge Elimination System program under the Federal Water Pollution Control Act, Public Law 92-500.

A favorable salt balance has been maintained in Imperial Valley soils for the 25th consecutive year. Salt discharged through the District's drainage system exceeded the amount imported into the Valley via Colorado River water by 17.2 per cent.

Even though conservation methods have been effective, concerted emphasis on underground tile drainage (1,223 miles in 1975) has resulted in increased inflow to Salton Sea. Reduced evaporation, resulting from a moderation in weather conditions, has also contributed to the continued rise in the elevation of Salton Sea.

A major cooperative effort between the city of Brawley and the Imperial Irrigation District resulted in placing two miles of open ditch into pipeline under the Stanley-Oakley-Shellenberger Pipeline project, with the city paying for material and the District making the installation.

The Colorado River Board – with representation from the six agencies receiving Colorado River water, including the Imperial Irrigation District – has continued to play an influential role in protecting the interests of United States users. This is particularly true regarding the administration of the federal salinity control program along the 1,400-mile Colorado River resulting from the 1974 Colorado River Basin Salinity Control Act, Public Law 93-320.

J. Fred Hesse
Power
Manager

J. Melvin Sheldon
Water Manager
Jan.-Oct.
Water Consultant
Nov.-Dec.

D. A. Twogood
Water Manager
Nov.-Dec.

Management

Robert D. Reynolds
Operations Services
Manager

Richard W. Wheeler
Finance and
Accounting Mgr.

Lawrence Eager
Personnel Manager

L. R. McGlocklin
Assistant to
General Manager

Executive

R. L. Knox, Jr.
Chief Legal
Counsel

Larry E. Beck
Secretary to the
Board

William J. Stadler
Director, Community
and Special Services

TREASURER'S REPORT

Anna T. McManus
Treasurer

The District's 1975 cash receipts totalled $38,572,402, an increase of $6,717,973 over 1974. This additional revenue, resulting from an increase in water rates and the fuel energy factor, was required to maintain appropriate revenues to offset expenditures for 1975 amounting to $35,248,576. These expenditures, which exceeded those in 1974 by $1,709,834, covered the payment of bond principal and interest, payrolls, work performed by others including cost of purchased power, and $9,342,249 spent locally for supplies (including fuel) and services.

All funds except those required for immediate cash disbursement and those specifically committed by law or contract are deposited in interest-bearing accounts in local banks. The resulting earned-interest income of $701,581 was accrued to the respective operating accounts making the same available for operating purposes.

Electric revenue bonds, issued from 1937 to 1954 to aid in financing the District's long-range power development program, including additions and improvements to its expanding power system, amounted to $37,963,000. The total remaining unpaid on December 31, 1975, was $8,975,000.

ELECTRIC REVENUE BONDED INDEBTEDNESS

Year	*Indebtedness Beginning of Year*	*Bonds Retired*	*Indebtedness End of Year*
1971	$16,312,000	$1,520,000	$14,792,000
1972	14,792,000	1,570,000	13,222,000
1973	13,222,000	1,587,000	11,635,000
1974	11,635,000	1,345,000	10,290,000
1975	10,290,000	1,315,000	8,975,000

CASH RECEIPTS AND EXPENDITURES

Year	*Receipts*	*Expenditures*
1971	$22,910,742	$21,274,791
1972	24,200,438	23,645,444
1973	25,845,444	29,468,004
1974	31,854,429	33,538,742
1975	38,572,402	35,248,576

ARTHUR ANDERSEN & CO.

LOS ANGELES, CALIFORNIA

To the Board of Directors,
Imperial Irrigation District:

We have examined the combining balance sheet of the departments of IMPERIAL IRRIGATION DISTRICT (a political subdivision of the State of California) as of December 31, 1975, and the related combining statements of net revenues and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly (1) the financial position of Imperial Irrigation District as of December 31, 1975, the results of its operations and the changes in its financial position for the year then ended, and (2) the assets, capitalization and liabilities of the individual departments of the District as of December 31, 1975, and their net revenues and the changes in their financial position for the year then ended, all in conformity with generally accepted accounting principles which, except for the change (with which we concur) in the method of accounting for the interdepartmental charge for the use of water to generate electricity on the canal system, as indicated in Note 2 of notes to the financial statements, were applied on a basis consistent with that of the preceding year.

Arthur Andersen & Co.

ARTHUR ANDERSEN & CO.

Los Angeles, California,
March 1, 1976

COMBINING BALANCE SHEET

DECEMBER 31, 1975

ASSETS	*Irrigation Department*	*Power Department*	*Combined*
UTILITY PLANT, at original cost:			
Plant in service (Note 1) —			
Electric	$	$109,788,602	$109,788,602
Irrigation	87,738,637		87,738,637
Total plant in service	87,738,637	109,788,602	197,527,239
Less — Accumulated depreciation reserves (Note 1)	(9,426,745)	(53,041,446)	(62,468,191)
	78,311,892	56,747,156	135,059,048
Construction work in progress	334,067	179,491	513,558
Total utility plant	78,645,959	56,926,647	135,572,606
RESTRICTED FUNDS (Note 1):			
Debt service funds (Note 3)		2,586,337	2,586,337
Construction funds	2,848,644	2,600,000	5,448,644
Other restricted funds	3,180,812	612,470	3,793,282
	6,029,456	5,798,807	11,828,263
CURRENT ASSETS:			
Operating funds	1,067,950	843,416	1,911,366
Accounts receivable, less reserves for doubtful accounts	1,779,593	2,249,475	4,029,068
Inventories, at cost (Note 1) — Fuel oil		2,696,081	2,696,081
Materials and supplies	399,705	1,295,270	1,694,975
Prepaids	146,317	13,753	160,070
Total current assets	3,393,565	7,097,995	10,491,560
OTHER ASSETS	74,903		74,903
	$88,143,883	$ 69,823,449	$157,967,332

The accompanying notes are an integral part of this balance sheet.

COMBINING BALANCE SHEET

DECEMBER 31, 1975

CAPITALIZATION AND LIABILITIES

CAPITALIZATION:	*Irrigation Department*	*Power Department*	*Combined*
Accumulated net revenues —			
Balance at beginning of year	$61,548,021	$ 53,445,868	$114,993,889
Adjustments (Note 2)	599,199	(599,199)	
Balance at beginning of year, as adjusted	62,147,220	52,846,669	114,993,889
Net revenues for year	2,499,944	4,210,346	6,710,290
Balance at end of year	64,647,164	57,057,015	121,704,179
Contributions received in aid of construction	6,770,142		6,770,142
Long-term debt, less current portion —			
Electric revenue bonds (Note 3)		7,455,000	7,455,000
All-American Canal obligation (Note 4)	12,776,388	734,412	13,510,800
	12,776,388	8,189,412	20,965,800
Total capitalization	84,193,694	65,246,427	149,440,121
CURRENT LIABILITIES:			
Current portion of long-term debt —			
Electric revenue bonds (Note 3)		1,520,000	1,520,000
All-American Canal obligation (Note 4)	709,799	40,801	750,600
Accrued interest on electric revenue bonds		144,632	144,632
Accounts payable	722,147	1,984,993	2,707,140
Accrued salaries, wages and payroll taxes (Note 2)	729,424		729,424
Accrued vacation pay	324,436	289,909	614,345
Advances from other agencies for operation of the All-American Canal	195,800		195,800
Customers' service deposits and advances	20,371	233,430	253,801
Total current liabilities	2,701,977	4,213,765	6,915,742
DEFERRED CREDITS AND OTHER LIABILITIES:			
Revenues billed for future water availability, etc. (Note 1)	941,551		941,551
Advances for construction		363,257	363,257
Other liabilities	306,661		306,661
	1,248,212	363,257	1,611,469
	$88,143,883	$ 69,823,449	$157,967,332

The accompanying notes are an integral part of this balance sheet.

(1)

SUMMARY OF SIGNIFICANT

Accounting Records

Separate accounting records are maintained for the Water and Power Departments of the Imperial Irrigation District. The account classifications used by the District for accounting and financial reporting purposes are comparable to those used by other irrigation districts and electric utility companies. With respect to the Power Department, the account classifications used are those specified by the Uniform System of Accounts prescribed by the Federal Power Commission, which system of accounts was adopted to facilitate computations required by a provision of the All-American Canal contract discussed in Note 4. The effects of interdepartmental transactions have not been eliminated because it is the intention of the Board of Directors of the District that the operating results of such departments be segregated and because such segregation is required for compliance with covenants relating to the issuance of electric revenue bonds.

Utility Plant

Utility plant is stated at cost, which includes labor, materials, purchased services and, in the case of the Water Department, general and administrative expenses. General and administrative expenses related to construction activities of the Power Department are not charged to utility plant since such allocated amounts would not be significant. Irrigation plant retirements are removed from the accounts at cost, together with related accumulated depreciation balances, and any resultant gains or losses are recorded in miscellaneous income. Electric plant retirements are charged to the reserve for depreciation at cost, less net salvage, and no gains or losses are recognized on ordinary retirements.

Depreciation

Buildings, vehicles, equipment, drainage structures, canal linings, and canal structures owned by the Water Department are depreciated on a straight-line basis over their estimated useful lives. Other irrigation plant, including canals and drainage systems, is not depreciated. The provision for depreciation for 1975 was equivalent in the aggregate to an annual rate of approximately 1.3 percent of the average gross investment in all irrigation plant in service, other than land and land rights. Electric plant is depreciated on the composite method using an overall rate of 3 percent per annum. The costs of repairs and replacements of minor items of utility plant are charged to maintenance expense.

Inventories

Inventories of fuel oil and materials and supplies are recorded at cost, on a first-in, first-out basis.

Revenues

The principal water customers of the Water Department are farmers and cities. These customers are billed at the end of each month for sales made during the month. Each landowner, including cities, pays an annual water availability fee which is based upon his acreage within the District. All customers of the Power Department are billed on a cycle basis. Water and power revenues are recorded when billed, except for the water availability fee which is billed in December but recorded as revenue when earned in the following year.

Restricted Funds

Restricted funds represent allocations of cash balances pursuant to provisions of the All-American Canal contract and the covenants of the electric revenue bonds and for other purposes specified by the Board of Directors.

(2)

SIGNIFICANT INTERDEPARTMENTAL TRANSACTIONS

Although the Water and Power Departments of the District maintain separate accounting records, there are significant interdepartmental transactions. The more significant of these transactions involve charges by the Water Department to the Power Department for the use of water to generate electricity on the canal system and for use of buildings, vehicles and equipment.

The interdepartmental charge for use of water in the All-American Canal to generate electricity is based upon amounts authorized by the Board of Directors in its resolution dated January 12, 1960. Such amounts are not supported by a formal current study. In prior years, this charge was reported by respective departments in the year it was paid (the year following the year to which the charge was applicable). In 1975, the District changed its method to properly report such charges in the year incurred. Since year-to-year variations in such charges were not material, the effect on the net revenues of either department subsequent to the initial year of the incurrence of such charges was not significant. The cumulative prior year effect of this change in accounting is reflected as an adjustment to the beginning balances of the accumulated net revenues of the respective departments.

Charges for use of buildings, vehicles and equipment are based upon pro rata distribution of costs of related maintenance, operation and depreciation. In accordance with covenants of electric revenue bonds, the Water Department is charged for electric service furnished by the Power Department. During 1974, the Water Department advanced $650,000 to the Power Department to meet its construction program cash requirements. This advance and the related interest thereon were repaid during 1975.

General and administrative expenses incurred by the District are allocated between departments, with the majority of the allocations being 75 percent to the Power Department and 25 percent to the Water Department. These allocations are not supported by a formal current study.

The combined accrued salaries, wages and payroll taxes of the District are reflected as a current liability of the Water Department in the accompanying financial statements because funds had previously been transferred to the Water Department by the Power Department to provide for its portion of these payments.

(3)

ELECTRIC REVENUE BONDS

Electric revenue bonds outstanding at December 31, 1975, and their future maturities are as follows:

	Issue			
	Ninth	Tenth	Eleventh	Total
Interest rates	1¾%	2¾ to 3%	3½%	
Due—				
1976	$350,000	$ 710,000	$ 400,000	$1,460,000
1977		750,000	500,000	1,250,000
1978		820,000	500,000	1,320,000
1979		890,000	500,000	1,390,000
1980		460,000	500,000	960,000
Thereafter		485,000	2,050,000	2,535,000
Matured— Current Issues	5,000	50,000	1,000	56,000
Prior Issues				4,000
Outstanding at December 31, 1975	$355,000	$4,165,000	$4,451,000	$8,975,000

The electric revenue bonds are secured by a pledge of all of the net revenues derived from the operation of the electric system of the District, after deducting reasonable costs for operations and maintenance, but excluding any allowance for depreciation or obsolescence and the cost of betterments charged against net revenues.

(4)

ALL-AMERICAN CANAL CONTRACT

Pursuant to the terms of the Boulder Canyon Project, All-American Canal contract dated December 1, 1932, and the amendment and supplement to that contract dated March 4, 1952, the District assumed an obligation of $25,020,000 to the United States. This amount represents the District's share of the cost of construction of the All-American Canal system, which obligation has been allocated to the Water and Power Departments based on the relative cost of their plant located on the All-American Canal system.

The District receives its entire water supply for its irrigation system from the United States under this contract. The deliveries of water and use in perpetuity of the All-American Canal are guaranteed to the District as long as the provisions of the contract are met. Except for the combined annual payments of $750,600 through 1994, no other amounts are due to the United States for water supplied to the District.

Under the All-American Canal contract and certain other agreements, the District has the right to avail itself of hydroelectric generation from the water flow through the Canal, subject to the sharing with other water districts of "net power proceeds" (as defined in the contract derived from the sale of this generation). The most important sharing arrangement is with the Coachella Valley County Water District, which, under an arrangement made in 1934, leased its power rights on the Canal to the District for a period of 99 years for an amount equal to 8 percent of "net power proceeds." In the opinion of the District's management, the District has fulfilled all its obligations under this arrangement, including making all required payments.

(5)

RETIREMENT PLAN

The District has maintained a voluntary contributory retirement plan for its employees since 1947. Under the terms of the plan, as modified in 1969, employees are eligible to participate in the plan after completing six months of continuous service. Employee contributions to the plan and retirement benefits vary depending upon the age of the employee at the date of entry into the plan, the average basic monthly salary attained, and the employee's retirement age. Additional amounts required to fund the actuarially computed benefits ultimately payable to participating employees are paid by the District and amounted to $369,556 in 1975. The unfunded past service cost of the plan as of January 1, 1975, the date of the latest actuarial report, amounted to approximately $4,343,000 and is presently being funded over approximately 25 years from December 31, 1975. The excess of the present value of vested benefits of participants over fund assets as of January 1, 1975, was approximately $13,000.

The District is not subject to the provisions of the Employee Retirement Income Security Act of 1974; however, management of the District is currently reviewing the provisions of this Act to determine whether revisions to its retirement plan will be recommended to the Board of Directors.

COMBINING STATEMENT OF NET REVENUES

FOR THE YEAR ENDED DECEMBER 31, 1975

	Irrigation Department	Power Department	Combined
OPERATING REVENUES (Notes 1 and 2):			
Sales of —			
Power		$ 27,526,517	$ 27,526,517
Water	$ 8,493,015		8,493,015
Water availability charge	801,640		801,640
Rentals	181,847	34,422	216,269
Interdepartmental charge for use of All-American Canal (Note 2)	639,199		639,199
Other	30,014	141,967	171,981
	10,145,715	27,702,906	37,848,621
OPERATING EXPENSES (Note 1):			
Cost of fuel		8,491,624	8,491,624
Purchased power		4,940,546	4,940,546
Other power expenses (Note 4)		4,401,426	4,401,426
Interdepartmental charge for use of All-American Canal (Note 2)		639,199	639,199
Operation and maintenance of All-American Canal	685,923		685,923
Operation and maintenance of irrigation system and dams	5,235,228		5,235,228
General and administrative expense (Note 5)	949,873	1,945,495	2,895,368
Provision for depreciation	1,119,809	3,117,880	4,237,689
	7,990,833	23,536,170	31,527,003
Net operating revenues	2,154,882	4,166,736	6,321,618
OTHER REVENUES (EXPENSES):			
Interest income	325,102	376,479	701,581
Interest expense on electric revenue bonds		(292,538)	(292,538)
Interdepartmental interest income (expense) (Note 2)	40,331	(40,331)	
Other, net	(20,371)		(20,371)
	345,062	43,610	388,672
NET REVENUES RETAINED TO FINANCE OPERATIONS AND PLANT ADDITIONS	$ 2,499,944	$ 4,210,346	$ 6,710,290

The accompanying notes are an integral part of this statement.

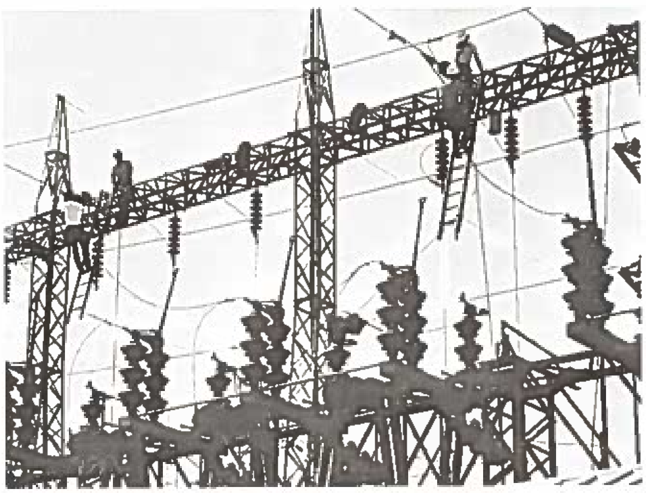
COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION

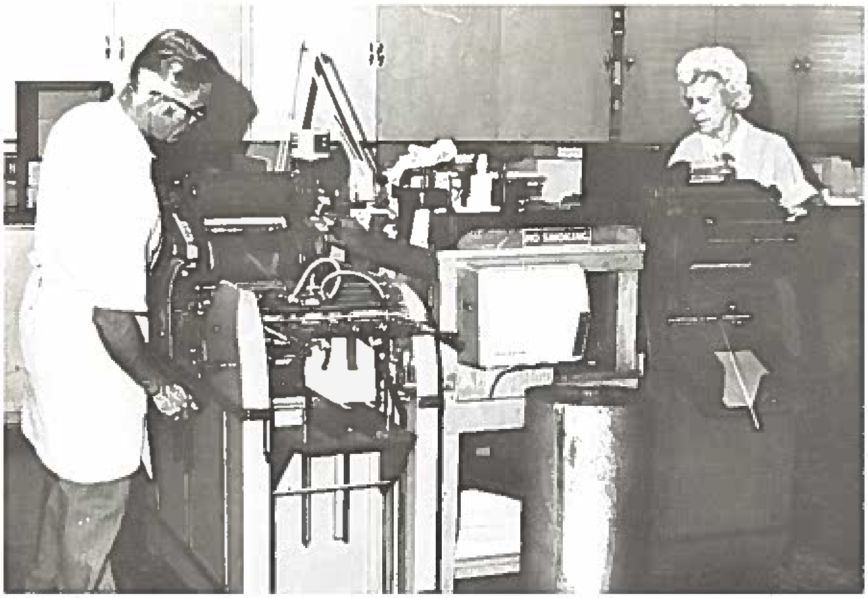
FOR THE YEAR ENDED DECEMBER 31, 1975

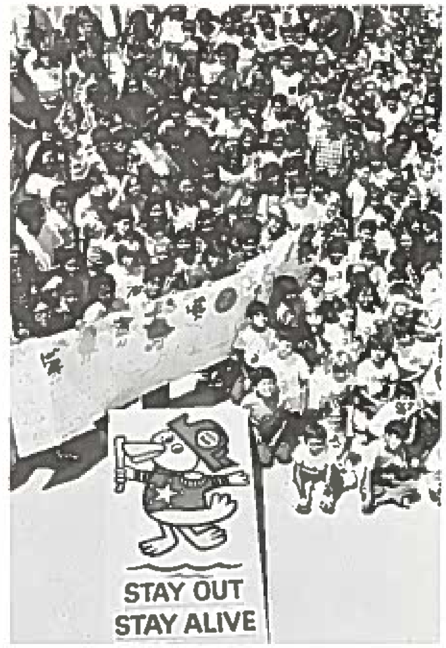
	Irrigation Department	*Power Department*	***Combined***
CASH BALANCES, beginning of year	$ 5,798,180	$ 4,563,355	**$ 10,361,535**
SOURCES OF CASH:			
Net revenues from operations	2,499,944	4,210,346	**6,710,290**
Add — Noncash items — depreciation expense charged to —			
Net revenues	1,119,809	3,117,880	**4,237,689**
Clearing accounts	340,568		**340,568**
Provided by operations	3,960,321	7,328,226	**11,288,547**
Interdepartmental cash advances (borrowings) and related accrued interest (Note 2)	1,285,999	(1,285,999)	
Increase (decrease) in —			
Accounts payable	385,671	20,030	**405,701**
Customers' service deposits, advances and contributions in aid of construction	352,791	51,808	**404,599**
Deferred credits and other, net	13,783	38,848	**52,631**
Accrued vacation pay	47,021	(126,214)	**(79,193)**
Revenues billed for future water availability	37,769		**37,769**
Decrease in —			
Materials and supplies	3,868	166,197	**170,065**
Other assets	19,725		**19,725**
	6,106,948	6,192,896	**12,299,844**
USES OF CASH:			
Net plant additions	3,667,698	2,012,761	**5,680,459**
Increase (decrease) in —			
Accounts receivable, net	353,427	676,980	**1,030,407**
Fuel oil inventories		137,637	**137,637**
Prepaids	43,420	(89,372)	**(45,952)**
Payments on electric revenue bonds		1,315,000	**1,315,000**
Payment on All-American Canal obligation	709,799	40,801	**750,600**
Decreases in advances from other agencies for operation of All-American Canal	13,272		**13,272**
Decrease in accrued interest payable		20,221	**20,221**
Decrease in accrued salaries, wages and payroll taxes	20,106		**20,106**
	4,807,722	4,114,028	**8,921,750**
INCREASE IN CASH	1,299,226	2,078,868	**3,378,094**
CASH BALANCES, end of year	$ 7,097,406	$ 6,642,223	**$ 13,739,629**
CASH BALANCES AT DECEMBER 31, 1975:			
Restricted funds	$ 6,029,456	$ 5,798,807	**$ 11,828,263**
Operating funds	1,067,950	843,416	**1,911,366**
	$ 7,097,406	$ 6,642,223	**$ 13,739,629**

The accompanying notes are an integral part of this statement.

SERVICE IS







OUR BUSINESS

WATER

Construction of Nectarine Reservoir, the District's first regulating water reservoir, began in 1975. Major Work Authorization No. 75-1 for its construction was approved on April 1, 1975, and 90 per cent of the project was completed within the year.

Designed to save water and to speed up water deliveries to farmers in the Northend of Imperial Valley, the reservoir also will help alleviate the rising Salton Sea problem. The 300-acre-foot regulation reservoir was constructed on a 40-acre site adjacent to the East Highline Canal near the Vail Supply Heading and above the Nectarine Check. Water will be diverted by gravity from the East Highline Canal into the reservoir, and later released from the reservoir by gravity into the Vail Supply Canal.

The District's remote-control facilities were expanded by the installation of hydraulically operated slide gates at No. 8 Check and Sumac Canal Heading, and electric motor operators at Thistle Canal Heading, Fillaree Canal Heading and Flax Canal Heading on West Side Main Canal. Hydraulic gates also were installed at Newside and Dandelion Headings on the Central Main Canal. Metal buildings to house the electronic equipment and recorder wells were installed at Fern, Foxglove, Fillaree, and No. 8 Checks on the West Side Main Canal and at Newside Check on Central Main Canal.

The progressive rise in the surface elevation of Salton Sea continued to cause serious drainage problems in the cultivated areas adjacent to the sea. The lowest water-surface elevation was −230.65 and occurred January 2, 1975, and the highest elevation was −229.45 and occurred on June 2, 1975.

The sea, located in Riverside and Imperial Counties, is the repository of drainage and storm runoff from both counties and from Mexicali Valley, Baja California, Mexico. The present salinity of the sea is slightly greater than ocean water with 53.00 tons of salt per acre-foot of water compared to the ocean's 47.80 tons.

The District's gravity-flow canal and drainage system serves an area of 502,400 acres of irrigated farm land. The total gross area within the District's boundaries is 1,062,290 acres, including undeveloped area; cities, towns, airports, feed lots, etc.; area below the −230 contour Salton Sea Reserve Boundary and areas covered by Salton Sea; and area in canals, drains, rivers, and railroads.

Water is diverted from the Colorado River at Imperial Dam through the District's All-American Canal headworks and desilting basins into the All-American Canal for transporting to Imperial, Yuma, and Coachella Valleys. All water passing below Drop No. 1 in the All-American Canal is for use by Imperial Irrigation District.

The total diversion to the District system was 3,001,207 acre-feet, of which 2,703,706 acre-feet were delivered to water users in Imperial Valley.

MARVIN L. WIEBEN PHOTO

Desilting works at Imperial Dam. Pictured are six of the works' 72 clarifiers, or rotary scrapers. Each clarifier has two submerged arms which sweep a circular area 125 feed in diameter. In 1975, Imperial Dam desilting works removed a total of 470,161 tons of sediment from the river water before it entered the All-American Canal. Peak month was April, with 132,456 tons removed.

In 1975 District purchased a hydraulic backhoe to more efficiently maintain laterals, canals and drains. The backhoe is in the 52,000-pound weight class, has a horizontal reach of 34 feet, and is equipped with a ⅞-yard specially-designed ditch cleaning bucket and a one-yard digging bucket. The heavy equipment unit maintained a fleet of 62 units which operated 60,956 hours during the year.

MARVIN L. WIEBEN PHOTO

AGRI-BUSINESS

	1975	*1974*
APIARY	$ 1,047,000	$ 1,102,000
SEED AND NURSERY CROPS	10,780,000	11,870,000
LIVESTOCK AND DAIRY	127,204,000	155,182,000
FIELD CROPS	215,967,000	284,242,000
VEGETABLE CROPS	142,288,000	102,763,000
FRUIT AND NUT CROPS	2,896,000	1,964,000*
TOTAL	$500,182,000	$557,123,000*

*Revised

MILLION DOLLAR CROPS

	1975	*1974*		*1975*	*1974*
LETTUCE	$75,180,000	$50,476,000	ONIONS	$7,169,000	$3,910,000
HAY, ALFALFA	64,449,000	67,518,000	SORGHUM	5,674,000	9,472,000
SUGAR BEETS	57,296,000	89,156,000	PASTURE, ALFALFA	3,348,000	3,090,000
WHEAT	43,560,000	34,190,000	SUDAN GRASS	3,075,000	
COTTON LINT	25,641,000	53,950,000	WATERMELONS	2,911,000	2,157,000
TOMATOES	13,892,000	7,445,000	PASTURE, RYEGRASS	1,870,000	2,788,000
CARROTS	13,630,000	10,437,000	PASTURE, SUGAR BEET TOPS	1,690,000	1,690,000
CANTALOUPES	11,069,000	13,870,000	ALFALFA SEED	1,346,000	5,483,000
COTTON SEED	9,005,000	12,108,000	SQUASH	1,157,000	1,198,000
ASPARAGUS	8,822,000	6,658,000	BARLEY	1,100,000	1,440,000

Data supplied by Imperial County Agricultural Commissioner's Office.

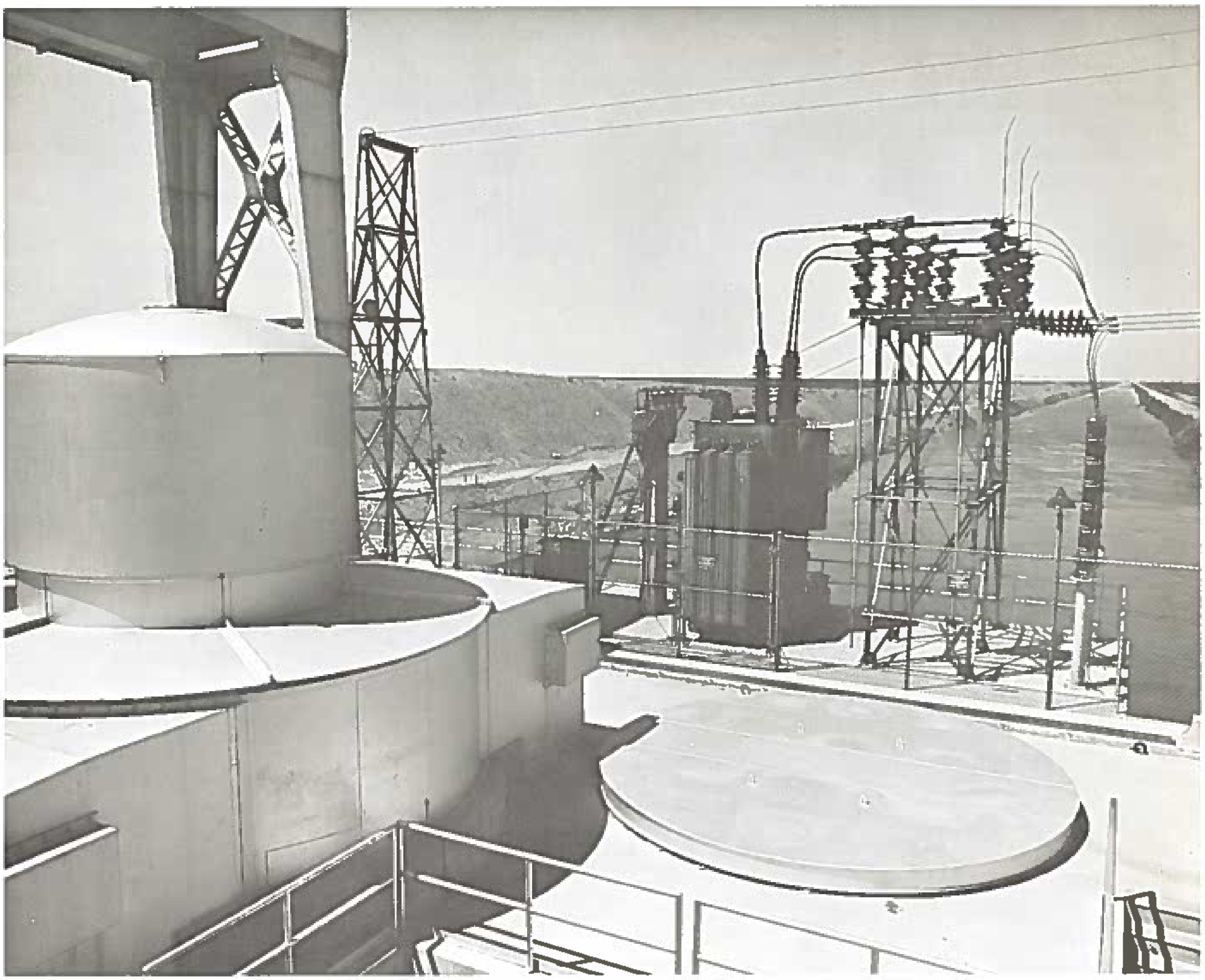
POWER

The past year was one of energy conservation and no growth for the Power Department. Due to this trend toward conservation, maintenance of existing facilities took precedence, and the department worked toward upgrading the present system. Capital improvements were kept to a minimum and postponed where possible and necessary.

The department experienced little growth in demand for energy in 1975. The peak load of 301,500 kilowatts was only 1,800 kilowatts greater than the peak of 299,700 kilowatts occurring in 1974.

The basic rate schedules, other than adjustments made in the fuel and energy adjustment billing factor (Schedule FE), remained unchanged in 1975. Because of the FE factor, the average cost of electricity to the residential customer per kilowatt-hour rose from 2.17 cents in 1974 to 2.67 cents in 1975.

Total kilowatt-hour sales during 1975 amounted to 1,080,863,000, compared to 1,069,867,000 during 1974, an increase of 10,996,000 kilowatt-hours sold. Gross dollar sales totalled $27,527,952, an increase of $5,793,294 over 1974.



MARVIN L. WIEBEN PHOTO

Drop 2 hydroelectric plant situated on the All-American Canal. The plant has a total nameplate capacity of 10,000 kilowatts, with unit 1 (foreground) having a capacity of 5,000 kilowatts.

POWER

POWER SALES

		Per Cent 1975	Per Cent 1974
Ultimate Consumers			
Domestic	$12,069,422	43.9	45.0
Commercial and Industrial	13,419,525	48.8	48.0
Agricultural Pumps	1,141,002	4.1	4.0
Street Lighting	257,633	0.9	1.0
Public Authorities	463,293	1.7	1.4
Inter-Departmental	168,225	0.6	0.6
Total Ultimate Consumers	$27,519,100	100.0	100.0
Other Utilities	$ 8,852	0.0	0.0
Total Revenue	$27,527,952	100.0	100.0

ANNUAL RESIDENTIAL KILOWATT-HOUR USAGE

Average	12,497

A loss of 194 over 1974.

MARVIN L. WIEBEN PHOTO

View looking eastward at El Centro steam plant. At right is No. 2 boiler (one of four) which has a 32-megawatt capacity. White tanks beside it are fuel oil day tanks, so named because they hold about a day's worth of fuel pumped in from larger storage tanks. Day tank capacity is 22,000 gallons each.

MAJOR DISTRIBUTION PLANT EXPENDITURES

Transformers	$ 307,103
Poles and Fixtures	347,870
Conductors and Devices	226,129
Meters	94,204
Services	80,792
Station Equipment	271,451
Underground	129,506
Street Lights	90,130
TOTAL	$1,547,517

AVERAGE NUMBER OF CUSTOMERS

Residential	36,053
Commercial and Industrial	7,396
Agricultural	769
Other	757
TOTAL	44,975

A gain of 487 over 1974.

POWER REVENUE

	1975	1974
Imperial Valley	$17,589,113	$13,882,257
Coachella Division	9,448,066	7,463,568
Colorado River	481,921	384,161
Total Retail Sales	$27,519,100	$21,729,986
Other Utilities	$ 8,852	$ 4,672
TOTAL	$27,527,952	$21,734,658

SOURCES OF POWER REQUIREMENTS

Hydroelectric	22%
Thermal	47%
USBR	18%
Axis	13%

CAPITAL EXPENDITURES ON CURRENT ADDITIONS AND IMPROVEMENTS

Production Plant	$ 1,272
Distribution Plant	1,560,898
Transmission Plant	145,263
Engineering and Supervision	268,155
General Plant	44,858
Gas Turbines—Preliminary	177,700
TOTAL	$2,198,146

EDITED AND PUBLISHED BY
COMMUNITY AND SPECIAL SERVICES
IMPERIAL IRRIGATION DISTRICT
P. O. BOX 499 • 1284 MAIN STREET
EL CENTRO, CALIFORNIA 92243

IMPERIAL PRINTERS EL CENTRO, CALIF.