Regional Water Authority

April 22, 2015

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Building Alliances in Northern California

Felicia Marcus, Chair

Sacramento, CA 95814

State Water Resources Control Board

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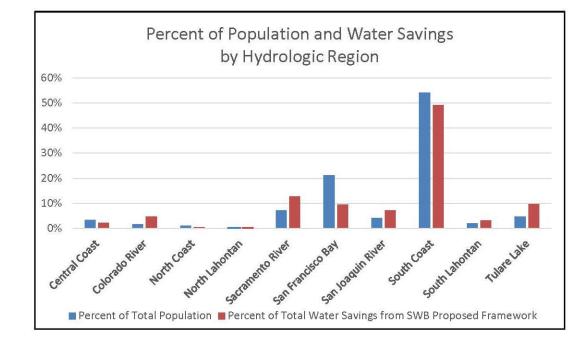
Sacramento Regional County Sanitation District Transmitted by email to jessica.bean@waterboards.ca.gov

Dear Chair Marcus and Board Members D'Adamo, Doduc, Moore and Spivey-Weber:

Thank you for the opportunity to comment on the State Water Resources Control Board (Board)'s draft regulations for complying with the Governor's Executive Order requiring a mandatory statewide 25% reduction in urban water use. We appreciate the magnitude of the challenges the ongoing drought creates for California, and are committed to responding by continuing and expanding our conservation efforts. We provided prior comments on the Board's proposed regulatory framework, and are disappointed that the Board did not take the opportunity to remedy the significant inequity that exists in the conservation tiers based on residential gallons per capita per day (R-GPCD) water usage. Our comments below center around three themes: inequities in the draft regulations, strategies for rectifying those inequities, and recommendations regarding implementation.

Inequity In the Proposed Regulatory Framework

In an attempt to refine the framework, the Board increased, rather than decreased, the inherent inequity of the approach. This revised framework is now tasking the Sacramento region with implementing the highest water use reductions in the state, with more than a dozen local water suppliers asked to conserve 32% or more. By lowering the conservation expectations for some of the most populous areas of the state, other, smaller water suppliers will be forced to comply with water reductions as high as 36%. The chart below, developed from the Board's data, clearly shows that inland areas of the state will be making up for the lowered expectations on the South Coast and Bay Area. The revisions effectively place more than 60% of the state's population in tiers that are required to save less than the Governor's designated 25%. This will cause further division between the state's regions rather than unifying the state in this severe drought emergency.



In addition to the increased inequities between regions, the very premise for the framework is flawed. It is built around the Board's misunderstanding that R-GPCD is a metric that measures previous conservation progress. This is simply not accurate. R-GPCD and GPCD figures vary throughout the state for a variety of reasons including those mentioned on the Board's website. Prior investments in conservation influence a water supplier's R-GPCD value, but do not account for variations of weather, density, land use patterns and local economics, which more heavily influence this number.

Further compounding this issue is that the Board has allowed water suppliers to calculate their own R-GPCD. Water suppliers may follow the Board's provided methodology or they may develop their own methodology. This has resulted in reported R-GPCD figures that are based on differing local assumptions such as subtracting out water loss. This inconsistency in the calculations may be acceptable for showing progress by an individual water supplier, but is not acceptable for regulations that assign unequal responsibility.

Also embedded in the proposed regulatory framework methodology is the incorrect assumption that a higher R-GPCD number represents "waste and unreasonable use" that must be addressed by the regulations. In some locations a "higher" R-GPCD may be appropriate for that area. In fact, it may only be higher because it is being compared statewide, not within the appropriate local region.

Strategies to Increase Equity

To rectify these inequalities, RWA encourages the Board to modify its draft regulations to provide for a more equitable apportionment of responsibility statewide that takes climate variability, 2014 conservation efforts and existing local and regional water supply conditions into account.

In order to account for the varying effects of climate on R-GPCD (due to the fact that landscapes in hotter, drier climates require more water to be healthy), RWA recommends that the Board factor evapotranspiration (ET) rates (or other appropriate indices) into the proposed regulatory framework. This could be accomplished by assigning a relative ratio among ET zones throughout the state to normalize R-GPCD before assigning tiers. This will help to equalize the responsibility for conservation among inland and coastal regions of the state.

While we understand the Board's desire to target outdoor water use, there should be a minimum reduction target of 10% for all water suppliers, and at least 15% for all but the lowest R-GPCD tier. The 8% and 12% tiers are simply too permissive. The State is in a serious drought emergency and we need every water supplier to substantially contribute to the statewide goal of 25%. Additionally no water supplier should be held to a lower conservation standard than what was achieved with voluntary restrictions in 2014. Under the proposed regulatory framework, there are water suppliers that achieved much higher voluntary conservation targets in 2014 than what are required in 2015. This allows water suppliers to back off their conservation efforts while other water suppliers that substantially saved in 2014 are asked to do more. It is unclear why the Board includes 2014 savings in its table, but fails to consider it in any way in the draft regulations.

The proposed regulatory framework provides a very narrow exception based on water availability. Such an exception should be expanded to provide relief at the highest tiers of compliance. The Sacramento region has invested many millions of dollars in conjunctive use facilities to achieve groundwater sustainably. Meeting demands during drought is one objective of these efforts. The draft regulations will prohibit water suppliers from responsibly using the water supplies they have developed for the situation we now face in California. This action contradicts the State's policy that encourages regional self-reliance.

Framework Implementation and Funding:

Implementing the draft regulations will be challenging and will likely have significant impacts--both on customers and the revenues and fiscal stability of water suppliers. RWA urges the Board, its partners at the California Department of Water Resources, the administration and the Legislature to expedite the appropriation and award of grants from the \$100 million authorized for water conservation provided by Proposition 1. This is especially important because the summer months are rapidly approaching and they provide the best opportunity to achieve outdoor water savings, a desire explicitly expressed by the Board.

Furthermore, we urge the prioritization of the available funding to those water suppliers that are

assigned the upper compliance tiers to support their greater contribution to the statewide target. The level of public outreach messaging, media engagement, conservation programs and enforcement needed to achieve these revised conservation standards will require substantial additional funding in a short time frame, which is not conductive to the longer term process needed to legally adjust water rates. The recent court decision in the case of San Juan Capistrano illustrates the difficulty water suppliers will have in promoting conservation through rates.

In terms of implementation of this proposed regulatory framework, water suppliers need time and resources to message their updated reduction targets. Water savings will largely depend on customer response and communicating these new targets. Recommended conservation actions will need continuous and constant messaging over time to be effective. The expectation that water suppliers, especially those at the higher tiers, will meet their monthly targets every month is unrealistic due to monthly variations in weather, utility operations, customer response, public outreach and media coverage. RWA recommends the Board use its understanding of the challenges of reaching these disproportionate targets in their enforcement efforts. Where water suppliers are making good faith efforts to comply, early and punitive enforcement actions will undermine, rather that promote, conservation progress.

Thank you for the opportunity to comment on the draft regulations and we look forward to hearing the Board's response to our comments. If you have any questions, please contact me at (916) 967-7692.

Sincerely,

John Woodling Executive Director Regional Water Authority