(5/5-6/15) Board Meeting- Item 6 Emergency Conservation Regulation Deadline: 5/4/15 by 10:00 am

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# CALIFORNIA MUNICIPAL UTILITIES ASSOCIATION

## 915 L STREET, SUITE 1460 • SACRAMENTO, CALIFORNIA 95814

# Sent via e-mail to: commentletters@waterboards.ca.gov

May 4, 2015

Jeanine Townsend, Clerk to the Board State Water Resources Control Board 1001 I Street, 24th Floor Sacramento, CA 95814



Subject: Proposed Emergency Regulations to Achieve 25% Urban Conservation – April 28 draft

Dear Ms. Townsend:

The California Municipal Utilities Association (CMUA), representing 40 water agency members that deliver water to over 70% of Californians, appreciates the opportunity to comment on the State Water Resources Control Board (SWRCB)'s *Proposed Emergency Regulations to Achieve 25% Urban Conservation* (emergency regulation) released on April 28, 2015. CMUA especially would like to acknowledge the work of SWRCB staff throughout the development of the emergency regulation, who made themselves available for constructive conversations and calls with our member agencies on this critical rule. We also would like to thank the SWRCB for including some of our previous recommendations including the revised section regarding CII sector use. In addition, we would like to provide the following specific recommendations for the SWRCB's consideration:

> Compliance/Enforcement: CMUA continues to recommend that the emergency regulation include a provision that will assist those water agencies adhering to all aspects of the regulation (including Section 866) and making significant progress but still not meeting the assigned water use reduction target. CMUA members have

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> been encouraging or mandating conservation among their customers and will continue to implement aggressive programs with the new rule, but there is concern that despite good faith efforts a water supplier may not reach their mandated conservation target. According to the SWRCB, this could result in a Cease and Desist Order and significant penalties of up to \$10,000 per day, which would be levied at a time when many suppliers already are facing reduced revenue due to conservation activities. Please see our recommended language to add to the rule below:

Subdivision 866(c): A Cease and Desist Order shall not be issued solely for the failure of a water supplier to meet the assigned water use reduction target as long as the water supplier complies with all other provisions in the emergency regulation including the steps outlined in this section.

CMUA appreciates that the SWRCB has discretion as it relates to enforcement and has pledged to work with water suppliers that are facing various challenges. However, specific language in the rule similar to what is outlined above will provide additional clarity for water suppliers without compromising the ultimate goal, which is significant water conservation statewide.

Additionally, we strongly recommend that the SWRCB develop a process to return to the affected service area a percentage of any penalties that are levied, earmarked for conservation and efficiency activities. If legislation is necessary to facilitate this action, we encourage the SWRCB to work with the Administration and the Legislature on an appropriate solution.

• Exceptions Based on Supply/Groundwater: CMUA thus far has provided limited comment regarding the Tiers document but would like to respond to the request for feedback on whether a water supplier whose supplies include groundwater should be able to apply for inclusion in the 4% reserve tier if "it can be demonstrated that they have a minimum of 4 years of supply, do not rely upon imported water, and their groundwater supplies recharge naturally." With appropriate safeguards, sufficient data and a continued commitment by the agency to implement certain conservation actions, CMUA agrees this is an exception that should be included in the final regulation.

Thank you for considering CMUA's comments and for engaging stakeholders throughout the development of this regulation. CMUA supports Governor Brown and the SWRCB's efforts to

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manage the state's multi-year drought and our member agencies will continue playing a leadership role in making "conservation a California way of life." Please contact me at 916-326-5800 or <u>dblacet@cmua.org</u> should you have any questions.

Sincerely,

Danielle Blacet Director for Water

cc: Felicia Marcus, Chair, State Water Resources Control Board Frances Spivy-Weber, Vice Chair, State Water Resources Control Board Dorene D'Adamo, Board Member, State Water Resources Control Board Tam Doduc, Board Member, State Water Resources Control Board Steven Moore, Board Member, State Water Resources Control Board Tom Howard, Executive Director, State Water Resources Control Board Caren Trgovcich, Chief Deputy Director, State Water Resources Control Board Eric Oppenheimer, Director, State Water Board's Office of Research, Planning and Performance

Max Gomberg, Climate Change Advisor, State Water Resources Control Board