



THE CITY OF SAN DIEGO

May 4, 2015



Sent via Electronic Mail: [commentletters@waterboards.ca.gov](mailto:commentletters@waterboards.ca.gov)

Honorable Chair Felicia Marcus  
and State Water Resources Control Board Members  
State Water Resources Control Board  
1001 I Street  
Sacramento, CA 95814

Dear Chair Marcus and State Water Resources Control Board Members:

The City of San Diego Public Utilities Department (San Diego) is pleased to respond to the State Board's request for feedback on certain aspects of the proposed Emergency Conservation Regulations. Additionally, we reiterate our urgent call upon the State Water Resources Control Board (State Board) to recognize the development of new drought-proof water supplies, such as water reuse and seawater desalination, as an effective drought response and allow such water that has been brought online since 2013 to count towards a water agency's conservation goal.

Please consider adopting the following changes into the emergency drought regulations.

**Allow deductions for the volume of new drought-proof potable water supplies brought online since 2013 to address non-discretionary water uses in the CII sector.**

San Diego's ratepayers recognized the vulnerability of its imported water supplies decades ago and began an aggressive campaign to diversify its water supply portfolio with drought-proof supplies, such as water recycling and seawater desalination. Additionally, we are currently in the design phase for the construction of potable reuse projects that will provide additional water supply reliability and reduce the need for 83 million gallons a day of imported water.

Our ratepayers opted to invest in these more expensive drought-proof water supplies in order to protect our community against water scarcity, and the variability of supply availability from the State Water Project. They voted in favor of self-sufficiency and resiliency, recognizing that imported water supplies are at risk. Our ratepayers understood the fragility of the State's water system and proactively *did something* about it at their own expense. They are to be congratulated. Instead, this emergency conservation regulation wrongly penalizes them.

Now is the time for the State Board to recognize the value of our ratepayers' investments in new drought-proof water supplies to immediately alleviate a portion of the State's water imbalance. Not doing so sends a message of calloused indifference to the financial sacrifices made to promote long-term water supply solutions. Not doing so suggests that communities like



San Diego shouldn't bother to make additional investments in water supply reliability, even though it benefits water users statewide – because the effort won't be recognized by the State. That messaging doesn't help anyone, least of all the State of California.

We believe that the State's recognition of drought-proof potable water supplies should first address non-discretionary process water demands within the Commercial, Industrial and Institutional (CII) sectors. Process water use rose approximately 6% in San Diego between 2013 and 2014, clearly aligning with incremental economic growth in the region. Recent economic analysis<sup>1</sup> concludes that San Diego's economy is poised to see continued growth through 2015, suggesting that demands for process water will continue to grow.

New drought-proof potable water supplies from seawater desalination are coming online this Fall in the San Diego region, providing immediate relief from water shortages. That water will be made available to the CII sector in order to sustain economic growth and should by no means be interpreted as an opportunity to waste water that could have otherwise been conserved.

By definition, process water is non-discretionary and must be protected. If new drought-proof potable water supplies are available to a community, the Emergency Regulations must recognize the importance of allowing this water to be used to meet the growing demands of a recovering economy and further recognize that increases in process water use is not equal to water waste.

San Diego once again calls on the State Board to assure that the investments made in this new drought-proof water supply are not disregarded and suggests the addition of the following language to Section 865:

*Each urban supplier that adds a new drought-proof supply, such as potable reuse, seawater desalination, or other drought-proof potable water supplies may deduct the amount of water produced by the drought-proof supply from its total potable water production to meet the economic demands of the commercial, industrial, institutional sectors and agricultural use that is not excluded under section 865(e).*

### **Tiers within the Conservation Framework**

In the first round of comments, San Diego advocated for increasing the number of tiers. We believe that doubling the number of tiers is fundamentally good policy, allowing greater levels of refinement in the review of conservation performance. The State Board recognized the value of expanding the number of tiers and offered a framework of nine tiers that we believe was generally well received and responsive to the call for greater refinement.

We recommend using the following framework, which establishes sixteen tiers with differentials between the tiers of 9 GPCD until 109 and then a differential of 14. This approach is consistent with the State Board's proposed approach, which established tighter bandwidths in the lower tiers where conservation hardening is a greater factor and wider bandwidths in the upper tiers.

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<sup>1</sup> See: <http://www.utsandiego.com/news/2015/apr/29/usd-economic-index-march-jobs-economy>.

### Recommended Conservation Framework

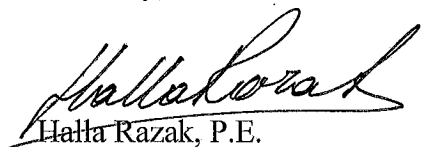
Tier	R-GPCD Range		Conservation Standard
	From	To	
1	Reserved		4%
2	0	65.9	8%
3	66	74.9	10%
4	75	83.9	12%
5	84	92.9	14%
6	93	101.9	16%
7	102	115.9	18%
8	116	129.9	20%
9	130	143.9	22%
10	144	157.9	24%
11	158	171.9	26%
12	172	185.9	28%
13	186	199.9	30%
14	200	213.9	32%
15	214	227.9	34%
16	228	612.0	36%

#### Conclusion

Since the early 1990's, San Diego has been a leader in demand management programs and water supply diversification efforts. As a result of these combined efforts, which have come at a considerable cost to ratepayers, San Diego has permanently reduced its dependence on imported water from the Bay Delta to the benefit of all Californians.

Thank you for your attention to these comments and continued willingness to work with stakeholders. If you have any questions please feel free to contact me at (858) 292-6401 or Ms. Cathleen Pieroni at (858) 292-6424 or [cpieroni@sandiego.gov](mailto:cpieroni@sandiego.gov).

Sincerely,



Halia Razak, P.E.  
Public Utilities Department Director

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