

April 10, 2015

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James B. Gilpin Best Best & Krieger LLP General Counsel Jessica Bean State Water Resources Control Board Post Office Box 100 Sacramento, CA 95812-0100

Sent via Email to: <u>Jessica.Bean@waterboards.ca.gov</u>

Re: Concerns with Proposed Regulatory Framework for Mandatory Conservation (as released April 7, 2015)

Dear Ms. Bean:

Rancho California Water District (RCWD/District) appreciates the opportunity to provide input to the State Water Resources Control Board (State Board) on implementation of the Governor's Executive Order B-29-15. We must act now to address our current state of water supply emergency due to the intensifying drought conditions impacting California residents and businesses.

The draft implementation framework creates serious equity and feasibility issues that will result in unintended legal, economic, environmental and operational consequences. The District would like to offer reasonable solutions to these issues that would satisfy the intent of the Governor's Order and maintain equitable implementation among water purveyors.

RCWD provides the following comments for your consideration that are intended to improve upon the path the State Board is on:

- A no-more than 25% reduction from all California water suppliers, as noted in the Governor's Executive Order. Any requirements above 25% mandated reductions creates inequity.
- 2. Use the existing 5-year base period thresholds established, adopted, and submitted to the state by water agencies in compliance with existing state law (SBx7-7), to account for climatological variations in water needs and pre-2013 conservation activities. Use of gallons per capita per day for a single snapshot in time is not a best management practice and results in inequitable treatment and punishment of agencies,

like RCWD, that have been responsible stewards and implemented pre-2013 conservation measures. It also punishes customers who's water needs are greater due to living in a hotter, drier climate. In addition, the 5-year base period threshold data is readily available, and would alleviate some of the administrative burden on State Board staff.

- 3. The State Board should maintain the availability of an alternative compliance option for agencies that have implemented budget-based tiered rates. RCWD implemented budget-based tiered rates in 2010 in order to give our customers:
 - a. an efficient water budget based on the number of people in the home
 - b. an efficient water budget for landscape that is determined by the actual measured landscape area of the property
 - c. an efficient water budget for landscape that is based on real-time weather data that is generated daily

Customers who do not stay within their water budgets are charged progressively higher rates for being inefficient. RCWD's rate structure and conservation programs that have been implemented prior to 2013 create demand hardening, making it difficult to achieve another 35% reduction.

No one is more committed to water reliability, safety and affordability than water agencies and water professionals. RCWD has been proactive in implementing demand management programs to exceed the SBx7-7 requirements. The State Board must recognize the great work that has been done to reduce demands prior to the Governor's declaration. RCWD respectfully urges strong consideration of our suggestions as we work together to address the challenges we face as a state.

Thank you for your time and consideration.

Sincerely,

RANCHO CALIFORNIA WATER DISTRICT

Jeff D. Armstrong

JA Anin

RCWD Interim General Manager

