

City of Visalia

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Steven A. Nelsen
Mayor

May 4, 2015

E. Warren Gubler
Vice Mayor

Felicia Marcus, Chair
State Water Resources Control Board
P.O. Box 100
Sacramento, CA 95812-0100

Gregory F. Collins
Councilmember

**Re: Proposed Emergency Regulation
Drought Emergency Water Conservation**

Bob Link
Councilmember

Dear Chair Marcus:

Amy Shuklian
Councilmember

The City of Visalia appreciates the opportunity to comment on the proposed emergency regulations to implement the Governor's Executive Order B-29-15.

SWRCB Should Request CPUC to Require IOUs Share Usage Data to Municipalities

Municipal water in Visalia is provided by California Water Service Company, an investor-owned utility (IOU). Although the City of Visalia has had a strong conservation ordinance with mandatory restrictions in place for 25 years, we are unable to focus our enforcement where it would be most effective on the highest water users due to California Public Utilities Commission (CPUC) restrictions on data sharing. The City has the enforcement staff and police power, but is operating without knowledge of where the most water is being used.

As reported in The Sacramento Bee, water agencies have made differing assumptions on calculating residential water usage, upon which the regulatory framework tiers are based. Without access to usage data, the City cannot review Cal Water's assumptions and methodology to confirm that Visalia is placed into the correct conservation tier. We request the Board's help in persuading the CPUC to require IOUs to share customer water usage data with municipalities, especially during this drought emergency.

Regulatory Framework Tiers Should be Based on California Hydrologic Regions

The City continues to urge the SWRCB that the regulatory framework tiers consider the California hydrologic regions as defined by the Department of Water Resources. This approach would be consistent with the States 20x2020 Water Conservation Plan and would achieve the Governor's mandate for proportionately greater reductions for areas with high per capita use than those with low use *within a State hydrologic region*.

Regulatory Framework Tiers Should Use 2 Percent Increments

The City agrees with the suggestion in the SWRCB's Fact Sheet released on April 29, 2015, that the number of regulatory framework tiers should be doubled to use



2 percent increments instead of 4 percent. This refinement will provide more appropriate conservation requirements for water suppliers.

Regulatory Framework Tiers Should be Based on June through February R-GPCD

Use of reported July through September 2014 residential gallons per capita day (R-GPCD), as proposed in the April 28 version of the draft regulations, is an improvement over the previous draft which arbitrarily selected September 2014 data.

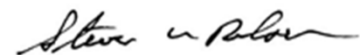
However, the SWRCB has collected data for the period of June 2014 through February 2015. We strongly recommend that that this entire range of data should be used for two reasons. First, that is exactly the same period of months that the emergency regulations will mandate reductions. Second, it is more equitable for cities in hotter regions which may use more water in the summer than coastal cities, but less in the fall, spring, and/or winter. The goal is to reduce the total amount of water used over this period regardless of season. This has been the City of Visalia's strategy for preserving landscaping while reducing overall water use.

Other CPUC Issues

Other issues the City plans to bring to the CPUC's attention are that the Water Revenue Adjustment Mechanism (WRAM) balancing surcharges should be frozen during the period of State-mandated water reductions so that the wrong pricing signals are not sent to ratepayers. If this isn't possible, then any fines or excessive-use surcharges levied by the IOU should directly offset the WRAM. CPUC rules should be changed so that local governments are eligible for intervener compensation; presently, only nongovernmental entities are eligible.

Thank you again for the opportunity to present the City of Visalia's comments on the proposed Emergency Regulations. Should you have any questions or need additional information, please contact Michael Olmos, City Manager at 559.713.4332, or Kim Loeb, Natural Resource Conservation Manager at 559.713.4530 for technical issues.

Sincerely,



Steve Nelsen
Mayor