San Diego County Water Authority
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July 14, 2014

Jeanine Townsend
Clerk to the Board
State Water Resources Control Board
Post Office Box 100
Sacramento, CA 95812-2000


Dear Ms. Townsend:

The San Diego County Water Authority (Water Authority) supports the efforts of the State Water Resources Control Board (State Board) to respond to the severe state-wide drought conditions and to preserve precious stored water reserves in preparation for a potentially fourth consecutive dry year in 2015. We also appreciate the opportunity to submit comments regarding Agenda Item 10, “Consideration of a proposed Resolution for drought-related Emergency Regulations pertaining to urban water conservation,” on the State Water Resources Control Board July 15-16, 2014 Board Meeting Agenda. We want to thank the State Board and its staff for working with the water supply agencies of California in developing these proposed regulations and in recognizing that water supply agencies have planned for managing drought and water shortages and have the mechanisms in place to most effectively implement the State Board’s goal of reduced water use during these challenging times.

The Water Authority and its 24 member agencies serve over 3.1 million people and support a $190 billion economy. As the regional wholesale agency, the Water Authority’s mission is to provide a safe and reliable supply of water to its member agencies serving the San Diego region. To assist in achieving this mission, the Water Authority is a longstanding leader in implementing demand management measures including device-based conservation savings programs and sponsoring water efficiency legislation. Our region has a strong conservation ethic that was demonstrated over the last decade in our ability to reduce per-capita potable water use by 27 percent between 2007 and 2013 – while adding over 140,000 people.

The governor’s leadership during these times of limited water supply availability has been key to the state’s ability to manage the current situation. In response to the governor’s January 2014 declaration calling for increased voluntary conservation, the
Water Authority Board activated Stage 1, Voluntary Supply Management, of our region’s Water Shortage and Drought Response Plan in February 2014. As part of that action, the Water Authority Board notified our 24 retail member agencies of a regional drought response Level 1, Drought Watch condition.

The Water Authority concurs with the State Water Board’s proposed emergency regulations to increase conservation through mandatory measures. We have observed that the success of past conservation efforts and the response we have seen from our residents and businesses to be more water efficient has resulted in demand hardening. When coupled with the extreme above average temperatures we have been facing in the San Diego region this year, reducing water use has become more challenging. We believe and agree with the State Water Board that the need to preserve stored supplies for 2015, and the likelihood of cutbacks from the Metropolitan Water District in 2015 (should conditions continue to be dry), creates the imperative to take additional action at this time. The Water Authority does have the following comments on the proposed emergency regulations with the unique perspective as a wholesale agency.

**Applicability to Wholesale Agencies**
The State Water Board staff report for Agenda Item 10 includes a discussion on the applicability of the proposed emergency regulations to water wholesalers due to their potential inability to enforce restrictions at the customer level. The policy question was then asked as to whether some of the requirements of the proposed emergency regulations should not apply to wholesalers of water. The Water Authority would agree that as a wholesale agency we have a limited role in implementing mandatory water conservation measures on end users of water – the residents and businesses within our service area. The role of enforcing mandatory measures within our region correctly resides with our retail member agencies that serve those customers that would be restricted. The Water Authority would suggest that the mandatory water conservation requirements specifically included in the proposed Section X.2(b) not apply to wholesale agencies. The role of the wholesale agency is to encourage, facilitate and coordinate with their member agencies on implementation of mandatory drought response measures within their individual service areas.

As the regional wholesale agency, the Water Authority serves a very important role in coordinating drought response actions within the San Diego region. In March 2008, the Water Authority Board approved a Model Drought Response Conservation Program Ordinance (Model Ordinance) for use by member agencies in updating their existing ordinances. The intent of the Model Ordinance was to coordinate member agency drought response on a regional level. All the member agencies updated their ordinances based on the Water Authority’s model, with some modifications that take into account local characteristics. Based on supply conditions and other drought actions, the Water Authority identifies the applicable level and provides notification to the member agencies. It is the responsibility of the member agency to declare the existence of a specific drought response level and take corresponding actions. Many of our member
agencies’ ordinances are linked to the Model Ordinance and require the Water Authority’s notification before moving to the corresponding level.

If the State Water Board approves the emergency regulations as currently proposed, Water Authority staff will recommend to its Board on July 24, 2014 that the Board notify its 24 retail member agencies that a Regional Drought Response Level 2, Drought Alert Condition, is in place with implementation of Stage 2, Supply Enhancement, which calls for mandatory conservation measures.

The Water Authority also works closely with its member agencies to track total water use within the region. We currently gather local supply and wholesale delivery data and report it to our Board monthly to determine how the region is tracking compared with 2013 total water use. We are fully prepared to provide monthly total water-use data to the State Water Board should the regulations be approved. We do have concerns that with our member agencies individually submitting production data, the State Water Board will double count use within our service area when trying to determine statewide conservation savings. In addition, as a wholesale agency we do not gather production data from our member agencies, and to do so under these proposed regulations would be very difficult, costly and time consuming.

**Monitoring Data – Per Capita Water Use**

We strongly suggest that the State Water Board avoid comparisons or rankings of per capita water use across agencies. Consistent with SBX7-7, the consumption metric should be used as an indicator of an agency’s progress towards its own more efficient water use over time. As noted above, great strides have been made in San Diego county in reducing the use of water, and many local agencies are currently using less water on a per capita basis than required by state legislation for 2020. It can be very misleading when used to compare multiple water agencies’ per-person consumption levels, due to differences in a number of variables such as demographics, local economies, weather, land use, and housing-type mix. If the State Water Board includes per capita water use as a metric in the monthly reporting form, we would suggest the form include the retail agencies SBX7-7 2015 and 2020 targets by which to compare current conservation efforts. We would be glad to work with State Board staff on developing data collection forms and reporting formats so the information will be as useful as possible in measuring the progress of water savings.

**Implementation Timeline**

We understand the urgency of increasing conservation efforts through mandatory measures. However, many of our member agencies may require formal Board or City Council action, including a public notice period, to fully execute the required mandatory water use restrictions. Some agencies may need to modify their ordinances to ensure compliance with all State Board requirements, which will take additional time. We suggest recognition of these requirements and allow water suppliers adequate time to approve or modify their ordinances to ensure compliance with the proposed regulations
and put in place the measures necessary to achieve the full potential of the mandatory water use restrictions.

**Fiscal Impacts to Public Water Supply Agencies**
Although the State Water Board included a calculation of estimated total costs for agencies to implement the proposed regulations, the cost analysis was limited to decreased water revenues and monthly administrative reporting costs. Additional unbudgeted expenses associated with enforcement of the mandatory water use regulations were excluded, and may be a significant cost for water agencies. To provide a more complete picture of total costs, we recommend that the analysis be expanded to include an estimate for financial outlays required to enforce the mandatory water waste prohibitions.

Again, we appreciate the opportunity to comment on the proposed resolution and support the Governor’s efforts to help manage the state’s response to the current drought conditions. The Water Authority also appreciates the State Water Board’s decision to use 2013 as the baseline year for evaluating water use reductions. We look forward to working together to achieve the Governor’s goals, and hope our comments help towards this effort. Please contact me at (858) 522-6741 if you have any questions or would like further details regarding the Water Authority’s comments.

Sincerely,

Ken Weinberg
Director of Water Resources