

(2/2/16) Board Meeting- Item 7 **Conservation Extended Emergency Reg** Deadline: 1/28/16 by 12:00 noon

ECEIVE 1-28-16 SWRCB Clerk

January 28, 2016

Submitted by e-mail to: commentletters@waterboards.ca.gov

The Honorable Felicia Marcus, Chair and Members of the State Water Resources Control Board C/O Jeanine Townsend, Clerk to the Board State Water Resources Control Board 1001 I Street, 24th floor Sacramento, CA 95814

Subject:

2/2/16 BOARD MEETING

CONSERVATION EXTENDED EMERGENCY

REGULATIONS

Dear Chair Marcus and Members of the Board:

The Municipal Water District of Oranges County (MWDOC) appreciates the opportunity to submit comments for consideration by the State Water Resources Control Board (SWRCB) regarding Extending the Emergency Water Conservation Regulations. We sincerely appreciate the time and effort the SWRCB has invested in improving the extended emergency regulations. Our comments focus on the Proposed Regulatory Changes to extend the existing May 2015 Emergency Regulations through October 2016.

Sustainable Supply Credit - The proposed credit is a real and significant improvement over the existing Emergency Regulations. However, while an improvement, the proposed regulations perpetuate an unequal treatment between different "recycling" technologies. We will use a simplified example to illustrate these issues (Tables 1 & 2).

We believe that that SWRCB's treatment of traditional (Purple Pipe) recycling was absolutely correct in the current Emergency Regulations. The subtraction of the purple pipe recycled water volumes from the total water supply promoted good, forward looking policy and encouraged investment. Unusable waste water was converted to a useable resource. However, other forms of recycling or reuse were not afforded the same treatment; even though they also converted unusable water supplies to useable (i.e., Indirect Potable Reuse (IPR), Direct Potable Reuse (DPR), Desalinization Plants (Desal), Desalters, and Contaminated Groundwater Treatment Systems). The impact of this differential treatment is illustrated in Table 1. Two similar utilities have the same total 2013 demand, population, and percent residential population. The first invests in a

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5,000 acre-foot per year Purple Pipe project and receives credit against their total demand. The second utility invests in a 5,000 acre-foot per year IPR project and does not receive the same credit against total demand. Based on the resulting difference in the residential gallons per capita per day (RGPCD) use, the Purple Pipe utility has a conservation standard of 16% while the IPR utility has a standard of 24%. Both reuse the same volume of water, but the unequal treatment results in a significantly different conservation requirement. The appropriate solution is to simply treat these other processes the same as Purple Pipe. The stated reason for not doing this in the existing Regulations was that there was not enough time to give the proposal full consideration.

We are now several months down the line and have new proposed regulations that do not address this initial inequity. The other types of recycled water are still penalized for pre-2013 investments. This is simple to correct. Simply treat these technologies the same as Purple Pipe. Subtract the volume of converted water that displaces potable water production from the total supply in the base year and reassign Conservation Standards. This would place IPR on equal footing to Purple Pipe recycled water to establish the Conservation Standard.

| Table 1: Assigning the Co Comparison of Conservation Standards for Ag Recycled | jencies Who Invested i | n Different Types of |
|--|------------------------|------------------------|
| | Baseline Data | |
| | Agency A: Invested in | Agency B: Invested in |
| | Purple Pipe | Indirect Potable Reuse |
| Total 2013 Demand (AF) | 25,000 | 25,000 |
| Pre 2013 Purple Pipe Recycled Supply (AF) | 5,000 | 0 |
| Pre 2013 Indirect Potable Reuse Recycled Supply (AF) | 0 | 5,000 |
| Population | 170,000 | 170,000 |
| Percent Residential | 85% | 85% |
| RGPCD | 89 | 112 |
| Conservation Standard | 16% | 24% |

The Sustainable Supply Credit is a significant improvement over the current Regulations. However, it perpetuates the original inequity. Table 2 continues the example of the two utilities. Both utilities invest in the development of an additional 5,000 AF of reuse. The Purple Pipe utility achieves a 25% reduction in its use (5,000 AF reuse/ 20,000 potable water supply) and exceeds their goal of 16% reduction by 9%. In contrast, the IPR utility produces a 20% reduction (5,000/25,000), but is capped at an 8% credit. Therefore it misses its 24% conservation standard by 16%. Two identical utilities that both invest in 10,000 AF of reuse, but the different regulatory treatment establishes different targets and decidedly different outcomes.

Again, the simple and equitable solution that supports strong, positive water management policy is to treat the other technologies the same as Purple Pipe. We ask the Board to make this simple change to the proposed regulations

| Table 2: Monitoring Performance and Use of Recycled Water Comparison of Conservation Standards for Agencies Who Invested in Different Types of Recycled Water | | | | | | |
|---|---------------------|--------------------|--|--|-----------------------|------------------------|
| | | | | | Agency A: Invested in | Agency B: Invested in |
| | | | | | Purple Pipe | Indirect Potable Reuse |
| Conservation Standard | 16% | 24% | | | | |
| 2015 Additional Purple Pipe | 5,000 | 0 | | | | |
| 2015 Additional IPR | 0 | 5,000 | | | | |
| Percent Reduction Achieved | 25% | 20% | | | | |
| Total Recycled Water Use AF | 10,000 | 10,000 | | | | |
| Performance Outcome | Exceeded Goal by 9% | Missed Goal by 16% | | | | |

<u>Growth Adjustment</u> – New development, built to meet current low water use standards, is a legitimate reason for efficient growth in water use. To improve equity within the Emergency Regulations, a Growth Adjustment should be addressed in a more direct and meaningful way. The Adjustment should be comparative to the growth in water use. The Staff Recommendation to calculate a Growth Adjustment is overly complicated and results in a disproportionately low adjustment relative to the amount of growth experienced. It also relies on landscape area measurement data that most agencies will not have, which is necessary to calculate the proposed Adjustment.

We support the Stakeholder proposal for the Growth Adjustment. It is simple and straight forward, and the data needed to calculate the adjustment is readily available for all agencies considering this Adjustment. We ask that the SWRCB reconsider the staff recommendation on the Growth Adjustment. The Stakeholder proposal Growth Adjustment is more logically correct by providing an adjustment that is proportionate to the growth of efficient development. It is also simple to calculate and does not require data that is not readily available.

Thank you for your consideration of these comments. MWDOC continues to appreciate the significant attention the SWRCB staff and Board has been giving the Emergency Conservation Regulations.

Sincerely,

Robert J. Hunter