December 30, 2015

Ms. Kathy Frevert
State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, CA 95814

Sent Via Email to: Kathy.frevert@waterboards.ca.gov

Dear Ms. Frevert:

Re: Comments on the Proposed Regulatory Framework

On behalf of the Walnut Valley Water District, we appreciate the State Water Resources Control Board (SWRCB) providing this opportunity for stakeholders to comment on the potential extension and modification of the existing Emergency Regulation for Statewide Urban Water Conservation.

We appreciate the revisions presented in the December 21 proposed regulatory framework that extends until October 2016 the emergency conservation regulation requiring urban water suppliers to meet state-mandated conservation targets. The following comments are based on these newly proposed guidelines. We support the following:

✓ The climate adjustment of up to four percentage points for water suppliers located in the warmest regions of the state;
✓ An adjustment to account for water-efficient growth since 2013; and
✓ A reduction for urban water suppliers using new drought resilient water supplies.

Our concerns and comments regarding the December 21 proposed regulatory framework:

• Regarding the rejection of stakeholder proposals for credits or adjustments related to non-potable recycled water use:

  ➢ The District has operated a recycled water system since 1986, primarily for outdoor irrigation purposes, resulting in the saving of thousands of acre-feet of potable water. The investment in this recycled water system has been paid for by our rate payers and now in the midst of this current drought, the return to our customers has been diminished by an increased conservation requirement for our potable water customers, while at the same time, the existence of our recycled system has made it more difficult to achieve conservation savings and meet our conservation goal of 28%.
During the last six months, June through November 2015, our recycled system delivered 1,311 acre-feet of drought-proof irrigation water. During the same time period of 2013, June through November, the system delivered 1,513 acre-feet of recycled water. Based on data for potable water irrigation customers, we have achieved a 48% reduction in potable water irrigation from 2015, June through November, compared to the same period in 2013, 266 acre-feet versus 515 acre-feet respectively.

However, if the recycled customers were supplied with potable water and we applied a similar reduction to the amount of water supplied through our recycled system during the same period, we would expect conservation of an additional 629 acre-feet of water.

Some form of credit for recycled water use, even a partial credit for recycled water produced, should be included in the proposed modification of the Emergency Regulation. That credit should be applied by the applicable water supplier to reduce the amount of water that is needed to be conserved to meet the prescribed conservation targets. To not include a credit diminishes the drought related benefits to those agencies that have implemented recycled water programs to specifically address long term water supply issues.

- **Groundwater Banking:**

  - Similar to the case for recycled water credits, a credit for groundwater banking-conjunctive use projects should be included in the modification of the Emergency Regulation. Water suppliers that undertake projects that specifically store water, even imported water, when available in groundwater basins for the express purpose of providing a sustainable supply of water during drought or other water supply shortages should be provided a credit to offset a portion of their conservation goal.

  - To not include a credit disincentivises the development of these costly conjunctive use programs and decreases the benefits to agencies that have undertaken projects specifically to mitigate the impact of drought on their service areas through these programs.

Thank you for the opportunity to comment on the December 21, 2015 revised Emergency Regulations. By way of this letter we also support the comments of both the Public Water Agency Group and the Association of California Water Agencies.

If you have any questions regarding this matter, please contact me at 909-595-1268, or by e-mail at mholmes@wwvd.com.

Most Sincerely,

Walnut Valley Water District

Michael Holmes
General Manager

cc: Walnut Valley Water District—Board of Directors
State Legislative Delegation