

December 15, 2014

Jeanine Townsend
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State Water Resource Control Board
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SUBJECT: Comment Letter – Safe Drinking Water Plan

Southern California Edison

Dear Ms. Townsend,

I. INTRODUCTION

Southern California Edison (SCE) as the owner and operator of the Santa Catalina Island Water System (Catalina Water System), regulated by the California Public Utilities Commission (CPUC), hereby submits the following brief comments on the draft Safe Drinking Water Plan (Plan) for California.

SCE supports the Plan and the State Water Resource Control Board's (SWRCB) effort to improve regulatory agency overview and coordination, testing methods, treatment technologies, information management, financing options, and security, and appreciates the opportunity to comment on the Plan.

II. BACKGROUND

Since 1962, Southern California Edison (SCE) has been providing safe, reliable and affordable water service to Santa Catalina Island (Catalina or Island) through groundwater wells, water storage, treatment, pumping and distribution facilities, and an ocean-water desalination plant. SCE serves about 4,000 year-round residents on Catalina with approximately 1,800 customer accounts in Avalon and another 200 customer accounts spread across other areas of the Island. In addition, Catalina is visited by more than 700,000 people annually, most during the summer months. SCE's average residential customer uses approximately 2,600 gallons of water per month or only 87 gallons per day. As a result of the increased costs to serve customers located approximately 30 miles off the California coast with no access to imported water, the small customer base and the very low per capita water usage, Catalina customers have some of the highest, if not the highest, water rates throughout the State.

Similar to the conclusions in the Plan, SCE's Catalina Water System has been increasingly challenged over the last two decades in regards to replacing aging infrastructure and complying with stricter regulations while maintaining affordable rates for customers. Additionally, the ongoing statewide drought has had a significant impact on Catalina due to its isolated, island environment. Prior to the drought, SCE's water customers conserved millions of gallons of



water. Since 2000, SCE's annual system water use has been reduced by approximately 40 million gallons (or approximately a 25% annual reduction). Despite these important conservation achievements, Catalina water customers are currently under mandatory rationing and SCE has had to barge and truck water to the west-end of Catalina as a result of saltwater intrusion into one of its wells, caused by the ongoing severe drought. These conditions have increased the challenges identified in the Plan and experienced on Catalina.

III. COMMENTS

SCE supports SWRCB's commitment to actively pursue initiatives to address the Human Right to Water for public water systems (PWS) by addressing issues with water quality, regulatory compliance, information systems, financing and security. The Plan acknowledges different issues faced by PWS as regulations are more stringent, infrastructure is aging, and the impact these cost pressures have on financing and customer water rates. The Plan, though, does not focus on medium-sized water systems, such as SCE's Catalina Water System, yet many of the issues outlined in the Plan for small PWS equally apply to the Catalina Water System, given its small customer base, very low per capita water usage, and its isolated, island-environment.

SCE recognizes that small PWS are challenged in many ways regarding maintaining water quality and compliance, infrastructure replacement and financing, and other utility needs. SCE agrees with the recommendation in the Plan to further assist small PWS. The Plan, though, does not fully address all PWS in overcoming necessary infrastructure replacement, stricter regulations, financing and affordability for customers. The following brief comments provide recommendations to clarify certain aspects of the Plan and requests enhancements to the Plan that effectively encompass utilities of all sizes, especially those in isolated, remote environments that don't have access to imported water. SCE's comments, below, are organized based on the Chapters in the Plan.

Chapter 2:

- The Plan recommends further collaboration with state and local agencies to address differences and deficiencies between the regulatory requirements of the respective agencies that affect the provision of safe drinking water. SCE supports these collaboration recommendations and requests that PWS be included in this process and that the framework to develop and implement improvements include up-to-date communications so that all stakeholders can be made aware of any potential regulatory changes. Often times, small and medium water systems are left out of the process and do not receive such updates which can make it more difficult to implement the changes and maintain compliance.
- The Plan addresses technical, managerial and financial (TMF) issues faced by small water utilities. Per the Plan's categorization, SCE's Catalina Water System is considered a medium PWS (1,000 to 9,999 service connections), however many of the challenges related to small PWS equally apply to Catalina, with approximately 2,000 service



- connections. As such, SCE requests adding medium PWS that are located in remote areas and isolated from imported water to the recommendations for TMF assistance.
- The Plan acknowledges that current infrastructure funding opportunities generally
 prohibit investor-owned utilities for grants except for emergency drought-like situations.
 SCE requests that the Plan include grant and other funding opportunities to investorowned utilities, especially those in remote locations that don't have access to imported
 water.
- SCE also requests that the Plan include specific recommendations to improve certain
 processes that require multiple agency review. For example, a recommendation to
 centralize the permitting process could save time and resources for all PWS. Currently,
 several local and state agencies are involved in permitting a single drinking water source
 which is a very time consuming, inefficient process. SCE believes recommendations and
 action plans that can address specific multi-agency processes can be beneficial to all
 PWS.

Chapter 3:

- The Plan recommends enactment of legislation to require applicable PWS to submit studies regarding the reliability of their existing sources of drinking water and take necessary actions to avoid or mitigate the impact of the loss of supply on the public health and safety, including the loss of supply due to prolonged or severe drought conditions. SCE understands that such studies will provide tremendous knowledge to both the agencies and the utility, however such studies require significant time and dedicated resources. SCE requests that the Plan provide explicit funding for such required studies. Alternately, SCE requests that staff be assigned to assist small and medium PWS in conducting such studies, especially those PWS whose resources are fully-engaged in day-to-day mitigation of the ongoing severe drought.
- The Plan explains the importance of water systems having access to multiple water sources during times of drought. The Plan also discusses water systems that have faced dire emergency situations, however the Plan does not include recommendations to fix these issues. SCE's Catalina Water System has experienced problems and emergencies with its limited water resources as a result of the drought and is actively pursuing new water resources to ensure customers have sufficient drinkable water. Development of new water resources, though, can be limited due to many reasons including the potential cost impact these resources would have on customer rates. As such, SCE requests for the Plan to include a recommendation to provide grants (or other applicable funding) and assistance for all small and medium PWS, including investor-owned utilities, that have limited water sources, are severely impacted by the ongoing statewide emergency drought and need TMF assistance with developing new water resources. SCE supports the discussion in the Plan regarding continued water conservation; however, as noted



above, Catalina customers, after achieving a system-wide 25% reduction in water use since 2000, are being forced to ration water. So, conservation, while helpful, cannot solve all the potential emergency situations that exist for small and medium PWS during severe drought conditions.

• The Plan includes recommendations to explore funding sources to facilitate operator education opportunities. SCE recommends that the Plan add language to explore these funding sources for medium PWS.

Chapter 4:

The Plan recommends the enactment of legislation to provide funding to help small PWS cover the costs of operating their treatment facilities. SCE requests that the Plan also include language that adds this funding opportunity for medium PWS, especially those serving disadvantaged communities and located in remote areas.

Chapter 5

- SCE supports the enactment of legislation to provide funding to develop new treatment processes and improve existing treatment processes. SCE requets that the Plan add language to also include these funding opportunities for medium-sized water systems such as Catalina.
- The Plan details different information management systems used by the agencies and recommends funding to maintain and expand these systems. SCE believes it would be beneficial for the Plan to further describe how PWS can get access to these information management systems to verify and review data such as information transmitted by the laboratories.
- The Plan should also recommend reducing redundancies in reporting the same
 information. For example, in addition to transmitting data electronically, SCE is
 oftentimes required to send hard copy reports of the same information to the Division of
 Drinking Water. SCE requests that enhancements in information systems should also
 focus on reducing the transmittal of paper records and redundancies across agencies.

Chapter 6

• SCE appreciates the discussion and recommendations to improve the methods and instruments for screening and detecting chemicals and microbial agents. SCE requests that these recommendations include language to improve specific processes. For example, required test methods for each contaminant could be included as part of the drinking water permit for small and medium PWS. This type of process improvement could enable small and medium PWS, that lack the technical expertise to review the Code of Federal Regulations (CFR), to better determine the appropriate test methods for testing contaminants in their system.



Chapter 7:

- SCE supports the enactment of legislation to provide funding to develop new treatment
 processes and improve existing treatment processes. SCE requests that in addition to
 small PWS, the recommendation include language to provide these same funding
 opportunities to medium PWS, especially for those PWS that are in remote areas and
 isolated from imported water.
- SCE generally supports the conclusions and recommendations included in Chapter 7 and notes that all of these concerns can also equally apply to medium PWS. SCE requests for the Plan to note that some medium PWS are also challenged to comply with water treatment compliance due to their small ratepayer base and other similarities.
- SCE requests for the Plan to include a recommendation to improve information management of treatment technology requirements. For example, the Environmental Protection Agency (EPA) recommends best management practices (BMPs) and different treatment technologies to comply with regulatory requirements. These EPA BMPs, though, are not very descriptive and water utilities have to dedicate resources to evaluate each recommended BMP. As such, SCE requests that the Plan include a recommendation to enable the development of a shared portal or platform for water utilities to communicate the type of treatment technologies and performance measures they use to maintain compliance. This type of shared information would enable small and medium PWS to benefit from the experience of large PWS.

Chapter 8:

- The Plan recommends enacting legislation to mandate a requirement that a small PWS that is within the sphere of influence of a large PWS be required to annex to the larger water system. SCE recognizes the benefit of such a collaborative approach with large water utilities and agrees with this recommendation. SCE requests further clarification in the Plan regarding the sphere of influence and what incentives are necessary to ensure support from large water utilities. Additionally, clarification regarding the various agency roles and simplifying the annexation process should be defined in the Plan.
- SCE supports the Plan's recommendations to continue providing emergency grant
 funding to disadvantaged communities that have serious water quality problems. SCE
 recommends expanding this funding opportunity to include small and medium PWS that
 are located in remote areas, isolated from imported water and have serious water resource
 problems.
- The Plan includes considerable discussion regarding average consumer water costs and
 affordability. SCE acknowledges the challenges in assessing and determining affordable
 rates for customers. SCE requests the Plan include a recommendation to improve future
 studies on water affordability that take into consideration each PWS customer base, water
 usage, and any local or jurisdictional fees.



Chapter 9:

• The Plan recommends that PWS with more than 3,000 service connections be trained on the Standard Emergency Response System / Incident Command System (SEMS/ICS) SCE supports the recommendation to promote SEMS/ICS training to all PWS. SCE's Catalina water management and technical staff have recently been trained on this system. SCE recommends developing a network with all PWS regarding when they plan to conduct SEMS/ICS training. Such a network would allow PWS to share training resources and provide more opportunity for PWS employees to go through this training. SCE also recommends that the Plan consider allocating funding for such training.

IV. CONCLUSION

SCE appreciates the SWRCB's efforts to develop the Plan and the opportunity to comment on it. SCE respectfully requests that the SWRCB consider these comments in the context of making revisions to the Plan to ensure that all PWS are part of the efforts to improve the safety, reliability, security and affordability for all water customers in the State.

Sincerely

David Asti

Principal Advisor

Environmental Policy and Affairs