



# **Extending the Emergency Water Conservation Regulation**

## New Regulatory Changes to Achieve Statewide Reductions in Urban Potable Water Usage

On November 13, 2015, Governor Edmund G. Brown Jr. issued <u>Executive Order B-36-15</u> calling for an extension of urban water use restrictions until October 31, 2016, should drought conditions persist. Given the severity of the water deficits over the past four years many of California's reservoirs and groundwater basins remain depleted and the need for continued water conservation persists. The November executive order directs the State Water Resources Control Board (State Water Board) to consider modifying the restrictions on water use and incorporate insights gained from the existing restrictions.

The State Water Board's adoption of <u>Resolution No. 2015-0032</u> and its May 2015 Emergency Regulation addressed specific provisions of <u>Executive Order B-29-15</u>, including mandating a 25 percent statewide reduction in potable urban water use between June 2015 and February 2016. To reach the statewide 25 percent reduction mandate and consistent with Executive Order B-29-15, the Emergency Regulation identified a conservation tier for each urban water supplier, between four percent and 36 percent, based on residential per capita water use for the months of July - September 2014. As directed under Resolution No. 2015-0032, State Water Board staff worked with stakeholders to develop and consider a range of factors that contribute to water use, including climate, growth and investment in drought-resilient supplies, to devise options for refining the new extended emergency regulation.

The new Emergency Regulation extends the requirements of the May 2015 Emergency Regulation and offers modest adjustments to help to respond to some of the reasonable concerns suppliers have raised to the State Water Board since it first considered the May 2015 Emergency Regulation.

## What's Next

Executive Order B-36-15 directs the State Water Board to extend restrictions to achieve a statewide reduction in urban potable water usage through October 2016, based on drought conditions known through January 2016. A significant portion of the state's rainfall and snowpack occurs in February and March. The State Water Board directed staff to monitor

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and evaluate available data on precipitation, snowpack, reservoir storage levels, and other factors and report back to the Board in March and April, 2016 and, if conditions warrant, promptly bring a proposal before the State Water Board to adjust or eliminate the Emergency Regulation, no later than the second regularly-scheduled May 2016 Board meeting.

Staff will also engage with the Department of Water Resources and other stakeholders to develop a proposed framework for enhanced urban water conservation, efficiency and resilience and report back to the Board on options for transitioning to a more resilience-based approach for the future by May 1, 2016.

If snowpack, reservoir and other water supply conditions don't warrant any modifications to the emergency regulation when staff reports back to the Board, the State Water Board expects suppliers and their customers will save more than one million acre-feet of water, or about as much water as is currently in Lake Oroville, in response to the regulation. This savings will be in addition to the 1.2 million acre-feet the State is on track to have saved from June 2015 through February 2016.

Information on the February 2, 2016 Emergency Regulation is on the State Water Board's <u>webpage</u>.

## **New Emergency Regulation - Key Provisions**

The February 2016 Emergency Regulation essentially extends the existing May 2015 Emergency Regulation and maintains many of the same requirements.

## Changes to the May 2015 Emergency Regulation Include:

- Credits and adjustments to urban water suppliers' conservation standards that consider the differences in climate affecting different parts of the state; growth experienced by urban areas; and significant investments that have been made to create new, local, drought-resilient sources of potable water supply;
- Penalties for homeowners' associations or community service organizations impeding homeowners from reducing or eliminating the watering of vegetation or lawns during a declared drought emergency, as described in existing Civil Code provisions; and
- Updates to compliance and reporting timelines.

## **Conservation Standard for Urban Water Suppliers**

As statewide drought conditions persist, all water suppliers need to continue to meet their individual conservation standards. Since June 2015, cumulative statewide conservation has eclipsed the 25 percent target. Everyone must continue to conserve, especially if the need for conservation continues through the warmer months when outdoor landscape irrigation typically increases. Often, but not always, water suppliers with higher per capita users are located in areas where the majority of water use is directed to outdoor irrigation due to lot size, climate and other factors; thus outdoor irrigation continues to present the greatest opportunity for the highest reductions. The new Emergency Regulation maintains the current

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tiers of required water reductions, though with additional adjustments in response to stakeholders' equity concerns.

#### **Overview of Conservation Tiers**

The conservation standards for all large urban water suppliers continue to be based on increasing levels of residential gallons per capita per day (R-GPCD) water use. This approach considers the relative per capita water usage of each water suppliers' service area and requires that those areas with high per capita use achieve proportionally greater reductions than those with low use, while lessening the disparities in reduction requirements between agencies that have similar levels of water consumption but fall on different sides of dividing lines between tiers. Suppliers have been assigned a revised conservation standard that ranges between eight percent and 36 percent based on their R-GPCD for the months of July - September, 2014. These three months reflect the amount of water used for summer outdoor irrigation, which provides the greatest opportunity for conservation savings. The new Emergency Regulation also continues the reserved four percent conservation tier for those suppliers meeting specific criteria relating to not experiencing drought conditions.

Urban water suppliers (serving more than 3,000 customers or delivering more than 3,000 acre feet of water per year), which account for more than 90 percent

#### How to Submit a Conservation Standard Adjustment

Submittals for adjustments to an urban water supplier's conservation standard may be submitted through the new on-line reporting tool at the **DRINC** Portal. The tool will be available the week of February 8, 2016 and will remain open through March 15, 2016. Submissions received after March 15, 2016 will not be reviewed. Please review the Fact Sheet on Adjustments and Credits [Link] on submission deadlines and effective dates for adjustments and credits.

of urban water use, have previously been assigned a conservation standard, as shown in the following table:

		pt. 2014 PCD	# of Suppliers	Conservation
Tier	From	То	in Range	Standard
1	reserved		4	4%
2	0	64.9	27	8%
3	65	79.9	22	12%
4	80	94.9	42	16%
5	95	109.9	61	20%
6	110	129.9	45	24%
7	130	169.9	81	28%
8	170	214.9	62	32%
9	215	612.0	67	36%



#### Adjustments to the Conservation Standards

The new Emergency Regulation allows urban water suppliers to update their conservation standards under certain situations, as explained below.

#### 1. Climate Adjustment

The new Emergency Regulation allows a climate adjustment that, where applicable, reduces a water supplier's conservation standard by up to four percentage points for those water suppliers located in the warmer regions of the State. The climate adjustment is based on each urban water supplier's average service area evapotranspiration (ETo) for the months of July through September, as compared to the statewide average for the same months. Statewide average ETo is calculated by the State Water Board as the arithmetic mean of all statewide ETo data for those months. The adjustment ranges from a two to four percentage point decrease in an urban water supplier's conservation standard as follows:

Deviation of Urban Water Supplier Service Area's ETo from the Statewide Average ETo	Reduction in Conservation Standard	
>20%	4%	
10 to 20%	3%	
5 to <10%	2%	

The State Water Board has calculated default climate adjustments for all suppliers, which are available on this <u>draft list</u>. The default climate adjustments use the uses the average service area average July - September ETo, as determined by the California Irrigation Management Information System (CIMIS) <u>Mapped ETo Zone</u> for which the supplier's service area has the greatest overlap. If a supplier chooses to use the default climate adjustment, no further action is needed.

In lieu of using the default service area ETo, each urban water supplier has the opportunity to refine its service area ETo by using data from CIMIS stations within its service area, or, if no CIMIS station exists within the supplier's service area, a weather station of comparable accuracy, meeting the period of record requirements noted below.

To qualify for the in-lieu climate adjustment the supplier shall submit the following data to the Board by March 15, 2016, but may submit it by February 22, 2016 for potential application to the supplier's March 2016 conservation standard:, for each station: station ID; station location; and monthly average evapotranspiration, in inches per month, for July, August, and September for either the most recent five-year period of record or the most recent three-year continuous period of record. The table below provides an example of the climate adjustment calculation, using the default service area average ETo.



Example Calculation of In-Lieu Climate Adjustment				
Original Conservation Standard	36 %			
Supplier Reports:				
Service Area Average ETo July	9.92 inches			
Service Area Average ETo Aug.	8.68 inches			
Service Area Average ETo Sept.	6.6 inches			
State Water Board Provided Value:				
Statewide Average ETo July-Sept.	6.34 inches			
Calculated by State Water Board:				
Service Area Average ETo July-Sept. = $(9.92 + 8.68 + 6.6) / 3$	8.4 inches			
Service Area % Deviation from Average ETo = (8.4 - 6.34) / 6.34	0.32 or 32 %			
Climate Adjustment	- 4 %			
Adjusted Conservation Standard	32 %			

## 2. Growth Adjustment

The new Emergency Regulation provides a mechanism to adjust urban water supplier conservation standards to account for water efficient growth since 2013. The adjustment is calculated as the product of the supplier's conservation standard and the supplier's reasonable percentage change in total potable water production since 2013, using a specific formula to calculate the percentage change, rounded to the nearest whole percentage point.

To qualify for the growth adjustment a supplier has to provide, at a minimum, the following data to the State Water Board by March 15, 2016, but may submit it by February 22, 2016 for potential application to a the supplier's March 2016 conservation standard: the number of new permanent residents added since January 1, 2013; and the number of new commercial, industrial and institutional (CII) connections added since January 1, 2013; and the average volume of water served to each CII account from February 1, 2015 to October 31, 2015.

The volume of water added due to growth is calculated as the sum of:

- 1. Number of new permanent residents added since 2013 multiplied by the average residential water use per person during February through October 2015. and
- 3. Number of new CII connections added since 2013 multiplied by the average CII water use per connection during February through October 2015.



The table that follows provides an example of the growth adjustment calculation.

Example Calculation of Growth Adjustment				
Original Conservation Standard	36 %			
Supplier Reports:				
Number of New Permanent Residents Added since Jan. 1, 2013	6,000 people			
Number of New CII Connections Added since Jan. 1, 2013	700 connections			
Average CII Water Use per CII Connection Feb Oct. 2015	900,000 gallons/connection			
Pulled from Feb Oct. 2015 Reports, as Submitted by Jan. 1, 2016 (by State Water Board):				
Residential Gallons per Capita per Day (R-GPCD) Feb Oct. 2015	100 gallons/people-day			
Baseline Total Water Production Feb Oct. 2013	16,000,000,000 gallons			
Calculated by State Water Board:				
Volume of Water Attributed to New Permanent Residents = [6,000 people] * [100 gallons/people-day] * [270 days]	162,000,000 gallons			
Volume of Water Attributed to New CII Connections = [700 connections] * [900,000 gallons/connection]	630,000,000 gallons			
Total Volume of Water Attributed to Growth since 2013 = [162,000,000 gallons] + [630,000,000 gallons]	792,000,000 gallons			
Percent Change in Potable Water Production Due to Growth since 2013 = [792,000,000 gallons] / [16,000,000,000 gallons]	0.05 or 5 %			
Adjusted Conservation Standard = 36% * [1 - 0.05]	34 %			

## 3. New Local Drought-Resilient Supply Credit

Under the new Emergency Regulation, any urban water supplier that obtains at least one percent of its total potable water production from a qualifying new local, droughtresilient water supply, or contracts for, or otherwise financially invests in, water from a new local, drought-resilient source of supply, developed since 2013 is eligible for up to an eight percentage point reduction to its conservation standard. Urban water suppliers are eligible for a one percentage point reduction to their conservation standard, up to an eight percentage point maximum reduction, for each percent of the urban water supplier's total potable water production that comes from a qualifying new local, drought-resilient water supply. Where a supplier financially invests in a shared new, local, drought-resilient source of supply but does not actually receive water from that source--instead freeing that water up for another supplier to use--the agency that does not actually receive the water may also be eligible for this credit. In no case will the total amount of credits exceed what would have been available had all suppliers received credit only for water actually received.



To qualify for the drought-resilient source credit a supplier needs to submit its certification to the State Water Board by March 15, 2016. This credit will be applied to a supplier's March 2016 conservation standard. The table below provides an example of the local drought-resilient supply credit calculation.

Example Calculation of New, Local, Drought-Resilient Water Supply Credit				
Original Conservation Standard	36 %			
Supplier Reports:				
Total Annual Potable Water Production from a Drought Resilient-Source of Supply (Developed after Jan. 1, 2013)	1,120,000,000 gallons			
Pulled from Jan Dec. 2015 Reports, as Submitted by Jan. 15, 2016 (by State Water Board):				
Baseline Total Water Production Jan Dec. 2013	16,000,000,000 gallons			
Calculated by State Water Board:				
% Total Potable Water Production from a Drought-Resilient Source of Supply = [1,120,000,000 gallons] / [16,000,000,000 gallons]	0.07 or 7 %			
Adjusted Conservation Standard = 36% - 7%	29 %			

The maximum reduction in a water supplier's conservation standard through combined climate, growth and new resilient drought supplies adjustments described above is capped at an eight percentage point reduction from any one supplier's otherwise applicable conservation standard, with no suppliers dropping below an eight percent conservation standard.

The default adjustment for climate will take effect for any qualifying supplier March 1, 2016. Other climate adjustments and growth adjustments may also take effect March 1, 2016 if a supplier has provided all supporting documentation and calculations by February 22, 2016 and State Water Board staff does not require additional information. Submissions for adjustments and credit received by March 15, 2016 will be applied to a supplier's March 2016 conservation standard in April.

Total monthly water production and specific reporting on residential use and enforcement as laid out in the May 2015 Emergency Regulation remains in effect. Performance will be compared to the new adjusted conservation standard, when applicable.

#### **Commercial Agriculture Exclusion**

The new Emergency Regulation continues to allow urban water suppliers to subtract water delivered for commercial agriculture from total potable water production if the supplier meets certain conditions and submits the agricultural water use certification to the State Water Board.



## Self-Supplied Commercial, Industrial and Institutional (CII) Users

The new Emergency Regulation continues to require self-supplied CII users to either reduce their usage by 25 percent or restrict outdoor irrigation to no more than two days per week. CII facilities with an independent source of supply (i.e., not served by a water supplier) are still not required to submit a report. However, these facilities should be prepared to demonstrate their compliance with the two day per week watering restriction, or the 25 percent reduction in water use if requested to do so by the State Water Board.

## **Conservation Standard for All Other Water Suppliers**

The new Emergency Regulation continues to require small water suppliers (serving 3,000 or fewer customers) to either achieve a 25 percent conservation standard, or restrict outdoor irrigation to no more than two days per week through October 2016. These suppliers are required to submit a small water supplier report that either (a) identifies total potable water production, by month, from December 2015 through August 2016, or (b) confirms compliance with the maximum two day per week outdoor irrigation restriction. The small water supplier report will be due to the State Water Board by September 15, 2016.

## **End-User Requirements**

The new Emergency Regulation maintains the current prohibitions on water use. These include:

- Irrigation with potable water of ornamental turf on public street medians is prohibited; and
- Irrigation with potable water outside of newly-constructed homes and buildings not in accordance with emergency regulations or other requirements established in the California Building Standards Code is prohibited.
- Using potable water to wash sidewalks and driveways;
- Allowing runoff when irrigating with potable water;
- Using hoses with no shutoff nozzles to wash cars;
- Using potable water in decorative water features that do not recirculate the water;
- Irrigating outdoors during and within 48 hours following measureable rainfall; and
- Restaurants from serving water to their customers unless the customer requests it.

Additionally, hotels and motels must offer their guests the option to not have their linens and towels laundered daily, and prominently display this option in each guest room.

It continues to be very important that while these provisions are in effect existing trees remain healthy and do not present a public safety hazard. Trees and other non-turf vegetation within street medians may continue to be watered. Information on how to maintain trees while reducing outdoor water use is available at: <u>www.saveourwater.com/trees</u>.

#### **Compliance Assessment**

The State Water Board continues to assess compliance on a cumulative basis, using suppliers' monthly reported data. Each month, State Water Board staff reassess compliance based on the supplier's cumulative savings since June 2015. Cumulative tracking means that



conservation savings are be added together from one month to the next and compared to the amount of water used during the same months in 2013.

The State Water Board continues to use informational orders to request information from suppliers not meeting their conservation standards and, as appropriate, conservation orders that direct specific actions to correct non-compliance. Both tools are tailored to the emergency circumstances that the State finds itself in as a result of continuing drought conditions. Violation of an informational order or conservation order carries a penalty of up to \$500 per day. Existing orders issued pursuant to or in response to violations of the May 2015 emergency regulation remain in effect.

The State Water Board continues to work with water suppliers that are not meeting their targets to implement actions to get them back on track. These actions could include changes to rates and pricing, restrictions on outdoor irrigation, public outreach, rebates and audit programs, leak detection and repair and other measures. The State Water Board may use its enforcement tools to ensure that water suppliers are on track to meet their conservation standards at any point during the 270 days that the emergency regulation is in effect.

The alternative compliance process the State Water Board identified in Resolution No. 2015-0032 will continue.

#### Conclusion

No one knows how the future will unfold. While the State may return to "normal," or even to above average hydrologic water conditions in 2016 or 2017, such an outcome is far from certain, nor is it certain that one year of average or above-average water conditions will relieve the State from these historic drought conditions. Continued water conservation is imperative. Moving forward, the State Water Board is committed to working with water suppliers on implementing the Emergency Regulation, assessing water conditions throughout the spring, and adapting requirements as appropriate based on water supply conditions.

The State is meeting the Governor's 25 percent cumulative statewide conservation goal because Californians have risen to the occasion. As the State Water Board acts on the Governor's Executive Order B-36-15, it will consider the lessons learned from the implementation of the current executive order and make adjustments to the Emergency Regulation as needed. The State Water Board will also begin to work with other agencies and stakeholders to develop longer term measures to ensure water continues to be conserved and used efficiently.

(This fact sheet was last updated on February 9, 2016)