



Association of California Water Agencies

Leadership Advocacy Information *Since 1910*

June 5, 2009

By Electronic Transmittal to: 2020comments@waterboards.ca.gov

Rick Soehren, Chief
Office of Water Use Efficiency and Transfers
California Department of Water Resources
1416 Ninth Street, P.O. Box 942836
Sacramento, CA 94236-0001

Subject: Request for Stakeholder-Based Process to Refine 20x2020 Plan for Urban Water Conservation

Dear Mr. Soehren:

In the two weeks since the Association of California Water Agencies (ACWA) has submitted the attached comment letter on the 20x2020 proposed “Statewide Implementation 20x2020 Plan for Urban Water Conservation,” it has become increasingly clear that this effort will likely only reach a successful conclusion if the State determines to engage in an intensive stakeholder-based process to resolve key policy considerations.

ACWA supports the Governor’s statewide goal to reduce per capita water use 20 percent by 2020 and appreciates the effort of the 20x2020 Agency Team to develop a plan to implement that goal. However, as described in the attached ACWA comment letter and by the many other significant concerns that have been detailed in comment letters and testimony by public and investor-owned water agencies, green industry representatives, CII water user associations, cities, and many other key stakeholders, the implementation plan needs significant additional work to ensure its best chance for success.

ACWA requests that the Agency Team immediately convene a stakeholder process, based on the successful model recently used by the State Water Resources Control Board for its Recycled Water Policy. This stakeholder-based process was a fast-paced, facilitated policy dispute resolution effort that was conducted by an ad-hoc collaboration of water, wastewater and key environmental non-governmental organization (NGO) representatives under a mandate by the SWRCB. This process included active observation by, and consultation with, SWRCB Board members and senior staff, and senior Department of Public Health staff. The stakeholder process

Rick Soehren, Chief

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was conducted in less than 6 months and resulted in a draft policy document that ultimately formed the basis of an adopted SWRCB statewide policy which all participants believe has a strong potential for significantly increasing the amount of recycled water that will be developed in the coming decade.

As you know, ACWA has most recently demonstrated its commitment to leading the water industry on water conservation and water use efficiency by joining with the Department of Water Resources to launch the new statewide public education campaign – “Save Our Water,” which implements the Governor’s call for a statewide program with a uniform water conservation message.

ACWA is also currently engaged with its members in articulating a unified policy toward water conservation and water use efficiency by adopting policy principles and developing a “road map” to address the issue aggressively. Elements of our implementation road map should be available in a matter of weeks. We believe that the road map will be helpful in augmenting the draft 20x2020 Plan to help the state resolve the difficult policy matters that need the more refinement.

ACWA and its members are engaged, and willing to work with the rest of the water community and other stakeholders to make the stakeholder process productive. We ask that you consult with the decision-makers of state government agencies represented on the Agency Team to consider this opportunity to convene the stakeholder process that we have outlined.

Sincerely,



Timothy Quinn
Executive Director
Association of California Water Agencies

Attachment

cc: Members of the 20x2020 Agency Team

Lester Snow, Director, California Department of Water Resources
Mark Cowin, Deputy Director, California Department of Water Resources
Dorothy Rice, Executive Director, State Water Resources Control Board
Charlie Hoppin, Chair, State Water Resources Control Board
Frances Spivy-Weber, Vice Chair, State Water Resources Control Board
Art Baggett, State Water Resources Control Board
Tam Doduc, State Water Resources Control Board
Mark Horton, Director, California Department of Public Health
Paul Clanon, Executive Director, California Public Utilities Commission

Rick Soehren, Chief

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Dian Grueneich, Chair, California Public Utilities Commission
John Bolton, Vice Chair, California Public Utilities Commission
Michael Peevey, California Public Utilities Commission
Rachelle Chong, California Public Utilities Commission
Timothy Alan Simon, California Public Utilities Commission
Melissa Jones, Executive Director, California Energy Commission
Karen Douglas, Chair, California Energy Commission
James D. Boyd, California Energy Commission
Arthur H. Rosenfeld, California Energy Commission
Jeffery D. Byron, California Energy Commission
Julia Levin, California Energy Commission



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By Electronic Transmittal to: 2020comments@waterboards.ca.gov

20x2020 Agency Team
c/o California Department of Water Resources
1416 Ninth Street, P.O. Box 942836
Sacramento, CA 94236-0001

Subject: Proposed Final Draft Statewide Implementation 20x2020 Plan for Urban Water Conservation

The Association of California Water Agencies (ACWA) appreciates the opportunity to submit comments on the 20X2020 Agency Team's Proposed Final Draft Statewide Implementation 20x2020 Plan for Urban Water Conservation.

ACWA supports the Governor's statewide goal to reduce per capita water use 20 percent by 2020 and appreciates the effort of the 20x2020 Agency Team to develop its proposed 20x2020 Water Conservation Plan (20x2020 Plan) for urban water conservation. Although much of the analytical work that supports this document is helpful and water agencies support some of the proposals identified in the 20x2020 Plan, many significant policy issues remain to be resolved. Many of these issues and concerns are identified in this letter, and in other letters and oral testimony that have been or will be provided by water agencies.

ACWA views this 20x2020 Plan as a work in progress and opposes any effort by the 20x2020 Agency Team to "finalize" this document and submit it to the Governor at this time.

Background

ACWA represents nearly 450 public water agencies that supply over 90% of the water delivered in California for domestic, agricultural and industrial uses. Our member agencies have been promoting responsible water use in California for many decades. Effective water conservation is a core value of our industry. Among our member agencies are national leaders in conservation, who have collectively developed and delivered state-of-art programs that have maintained California's water reliability in the face of steady population and economic growth and periodic droughts.

ACWA has long recognized that Californians can and must do more to advance water conservation as a fundamental building block of a plan to meet our unprecedented water supply and reliability needs. Water agencies have long been clear that the state is in a water crisis that is deepening and extremely serious. Last year's ACWA statewide

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campaign “California’s Water: A Crisis We Can’t Ignore” was a significant effort to educate Californians about the critical challenges now confronting the state’s water supply and delivery system. This spring ACWA joined with the Department of Water Resources to launch a new statewide public education campaign - "Save Our Water", aimed at immediately reducing water use and educating the public about the water crisis. This effort is intended to meet the Governor’s call for a statewide program with a uniform water conservation message.

ACWA identified urban and agricultural water use efficiency among the comprehensive and interdependent suite of actions and investments in our comprehensive water policy document, “*No Time to Waste: A Blueprint for California Water*” (2005). Last year, to more effectively implement water agencies’ policy commitment to water conservation and water use efficiency, the ACWA Board of Directors formed a special high-level task force to articulate policy principles and develop a “road map” that water agencies can use to address these interrelated matters.

As a result, ACWA adopted its “*Water Conservation and Water Use Efficiency Policy Principles*” (Policy Principles – Attachment A) that represents the unified thinking of water agencies regarding both urban and agricultural water conservation and water use efficiency. We strongly encourage the 20x2020 Agency Team use these Policy Principles to amend elements of the 20x2020 Plan.

These Policy Principles are the basis of an ACWA implementation “road map” to address urban and agricultural water conservation and water use efficiency, which is being developed by ACWA staff and a respected consulting team under the direction of ACWA’s Board Task Force. This implementation road map should be available in a matter of weeks and is intended to help state decision-makers resolve the difficult policy matters, many of which are identified in the 20x2020 Plan.

As you know, ACWA’s member agencies include the recognized leaders in urban water conservation. These leaders formed the California Urban Water Conservation Council (CUWCC) in 1991 to focus significant resources on improving urban water conservation. These water leaders have regularly provided input on the 2009 update of the California Water Plan, as well as the State Water Resources Control Board inquiries on the potential need for a water conservation regulatory program.

As you also know, ACWA and its member agencies have provided input and recommendations to the 20x2020 Agency Team as it has released its technical reports and conducted its public workshops. We are however, disappointed that water suppliers were not consulted or included in this process at the outset. As key stakeholders, water agencies are at the center of this issue. We believe our knowledge and expertise would have been invaluable to the Agency Team as it developed its plan.

Given our past leadership and commitment to water conservation, and our essential role in future implementation of sound water conservation policies in California, ACWA offers the following comments on the 20x2020 Plan.

General Comments

1. The 20x2020 Plan needs to acknowledge first and foremost that water conservation is only one part of a comprehensive approach to water management. That approach must include local resource development and infrastructure improvements, including storage and conveyance, as part of a statewide system that promotes economic and environmental sustainability. Reducing water use where appropriate and using water as efficiently as practicable is essential, but cannot be expected to be the “silver bullet” to ensure water supply reliability and ecosystem recovery.
2. ACWA supports the Governor’s statewide goal of reducing water use 20 percent by 2020. We see this high-level public policy goal as achievable, and on behalf of California’s water agencies we continue to offer our collective expertise and leadership to meet this goal.
3. ACWA believes existing programs can be effectively used to deliver increased levels of water conservation. New tools may need to be developed, but confrontational regulatory tactics and top-down command-and-control approaches will not be productive nor accomplish the desired goals.
4. ACWA believes the fundamental purpose of increased water conservation and improved water use efficiency is to bolster water supply system reliability by reducing current water demand and meeting future demand associated with continued population and economic growth. Proposals of the 20x2020 Plan need to be considered in light of their impact on other water management tools, such as conjunctive use and recycled water, which in some circumstances may meet these goals more effectively than new water conservation programs.
5. ACWA cautions the 20x2020 Agency Team not to overstate the conceptual benefits to the environment that may accrue from water conservation. As contemplated by Water Code 1011, conserved water is most often used by the community where the conservation occurs. In some cases agencies that conserve water can make that water available to other water users in the same or different regions to address statewide water needs. Sometimes conservation may allow additional water management

flexibility to support improved river flow and temperature management beneficial to ecosystem functioning, but such actual benefits depend on specific local circumstances and need to be considered in that context.

6. The water crisis and the current drought situation call for aggressive action on many fronts, but it is essential for the 20x2020 Agency Team and the state agencies it represents to work cooperatively with water agencies and the Legislature on coordinated efforts to address the issue. Uncoordinated and poorly-conceived regulatory and legislative mandates are likely to be administratively burdensome, and are unlikely to achieve intended results.

Significant Policy Issues of Concern

Several important policy-level concepts are not included in the draft 20x2020 Plan and should be:

1. **Reasonable use** - The 20x2020 Plan continues to focus on reduction in **gallons per capita per day** (GPCD) by large-scale hydrologic regions as the way to achieve the 20 percent reduction goal. ACWA advocates a process that achieves the goal through reasonable use by every urban customer, with flexibility for water agencies to show how they are contributing to the goal and with a "reconciliation" process to show how the state *in aggregate* is meeting to goal.
2. **Recoverable and Irrecoverable flows** - The 20x2020 Plan does not include a discussion of the difference between recoverable and irrecoverable flows for urban users. It certainly is appropriate to target irrecoverable flows for urban conservation. However, although conserving recoverable flows may have certain benefits, it may also result in re-directed impacts on other water users and will not result in additional water in the system.
3. **Comprehensive solution** - The 20x2020 Plan does not adequately recognize that water conservation must be part of a comprehensive and interdependent water management policy initiative to address a host of water resources challenges statewide.
4. **Purpose for Water Conservation** - The implications in the Introduction of the 20x2020 Plan that increasing water conservation can significantly contribute to solving the Delta crisis or substantially reducing greenhouse gas emissions are unsupported by the analysis and recommendations in the balance of the report. Conversely, the 20x2020 Plan needs stronger emphasis on the ways water

conservation is expected to be a key element of improved water reliability in the face of population growth in many parts of the state.

5. Public goods charge for water – We oppose the concept of mandating a statewide public goods charge for water. Water users rely on their water suppliers to align water conservation programs and funding needs to local circumstances and to deliver these programs cost-effectively. Water agencies oppose adding a state agency surcharge without clearly-defined water user benefits.
6. Water conservation pricing - Although water conservation pricing structures can be helpful and we encourage state financial assistance to water agencies that wish to implement such a program. ACWA cannot support a mandated state-wide water conservation pricing structure.

Important Concepts Not Included

A number of other important concepts from the ACWA Policy Principles are not included in the draft 20x2020 Plan and need to be addressed:

1. Protect water rights - The 20x2020 Plan must recognize that implementation of water conservation programs must not adversely impact the water rights of the entities implementing the programs. Implications in the 20x2020 Plan that fundamental water reallocation can be achieved without due regard to water rights and area of origin protections must be rectified.
2. Local management - The 20x2020 Plan should more fully stress the importance of local water agencies in designing and implementing conservation programs.
3. One size does not fit all - While the 20x2020 Plan implies regional differences are important, the Plan needs to expressly acknowledge that successful programs must be designed with the flexibility to adjust to widely varying local circumstances.
4. CII water use - The 20x2020 Plan does not discuss the fact that once all cost effective CII conservation measures have been taken to save water, additional reductions may result in loss of business (i.e. reductions in production water).
5. Recycled water - The 20x2020 Plan mentions the need for the use of recycled water and non-traditional sources of water. However, it may be helpful to outline some of the challenges in realizing those opportunities. At least, the 20x2020 Plan could mention the need to return to this issue in the future.

20x202 Agency Team

c/o Department of Water Resources

Re: Proposed Final Draft Statewide Implementation 20x2020 Plan for Urban Water Conservation

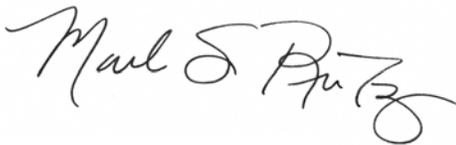
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6. Evaluation of progress - The 20x2020 Plan anticipates that the Agency Team will play the prominent role in collecting data and analyzing progress toward achieving the goal. ACWA believes that an impartial third party review mechanism needs to be developed, using preexisting reporting mechanisms such as the Urban Water Management Plans and CUWCC BMP reports, to provide periodic water conservation progress evaluations and recommend improvements. Such an approach may be more productive in evaluating success than the 20x2020 agency team's approach.

ACWA and its members are clearly ready to work with the state to develop an aggressive and effective implementation plan to institutionalize significant, measurable and sustainable water conservation and water use efficiency in coming months. We ask that the 20x2020 Agency Team avoid finalizing the 20x2020 Plan until it can receive additional review and input so that it will attain the widespread support it deserves from water agencies statewide, which will be necessary to achieve the Governor's goal.

Sincerely

A handwritten signature in black ink that reads "Mark S. Rentz". The signature is written in a cursive, flowing style with a large, looped final flourish.

Mark Rentz
Director of Regulatory Affairs