January 5, 2016

VIA E-MAIL & FIRST CLASS MAIL

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

SUBJECT: COMMENTS BY THE PUBLIC WATER AGENCIES GROUP REGARDING PROPOSED REGULATORY FRAMEWORK FOR STATEWIDE URBAN WATER CONSERVATION

Dear Ms. Frevert:

We represent the Public Water Agencies Group (the “Group”), an informal association of 17 public agency water suppliers\(^1\) who provide wholesale and retail water service in Los Angeles County. We appreciate the State Water Resources Control Board (the “State Board”) providing this opportunity to comment on the proposed revisions to the regulatory framework of the Emergency Regulation for Statewide Urban Water Conservation (“Emergency Regulation”).

The Group appreciates and supports the following revisions to the Emergency Regulation, which were recommended by the State Board staff on December 21, 2015: (i) incorporation of a climate adjustment that reduces the conservation requirements for water suppliers located in the hottest and driest parts of California; (ii) incorporation of a mechanism to adjust urban water supplier conservation goals to account for population growth since 2013 (although the Group proposes a simpler mechanism – see below); and (iii) providing a credit for water suppliers that utilize desalinated seawater or indirect potable reuse water.

While the changes above are improvements, further changes to the Emergency Regulation are needed. The Group believes the comments below will result in a fairer Emergency Regulation, while ensuring water continues to be conserved.

\(^{1}\) The Group consists of Crescenta Valley Water District, Kinneloa Irrigation District, La Habra Heights County Water District, La Puente Valley County Water District, Newhall County Water District, Orchard Dale Water District, Palmdale Water District, Pico Water District, Quartz Hill Water District, Rowland Water District, San Gabriel County Water District, San Gabriel Valley Municipal Water District, Sativa-Los Angeles County Water District, South Montebello Irrigation District, Three Valleys Municipal Water District, Valley County Water District and Walnut Valley Water District.
1. **Simple Mechanism for Population Growth Credit.** As noted above, the State Board recommends providing a mechanism to adjust conservation standards to account for population growth since 2013. However, the mechanism, as proposed on December 21, is far too complex. Instead, a more simple and straightforward approach should be used. The conservation targets should simply be updated to reflect population figures in 2015, rather than 2013.

2. **Recycled Water Use Credit.** The State Board staff recommends not awarding a recycled water use credit to those suppliers that utilize recycled water for irrigation. This does not recognize the considerable investments of these suppliers in recycled water systems, which can substitute otherwise non-potable supplies in place of potable water for landscape irrigation. Failing to provide a credit for such recycled water use makes conservation targets extremely difficult to meet when all reduction must come from indoor use. Moreover, the State Board’s lack of recognition here disincentivizes recycled water use throughout the state.

3. **Cap of 8% on Credits and Adjustments.** The State Board staff recommends a maximum of a 4% decrease to any individual water supplier’s conservation target from any of the conservation credits provided in connection with the December 21 changes. This cap is too low, and does not adequately compensate a supplier being affected by more than one of the factors considered above. For example, a supplier located in a hot and dry part of the state, which has experienced large population growth since 2013 will not be able to fully realize the rewards intended by the revisions to the Emergency Regulation. Additionally, with such a relatively low potential adjustment, suppliers are not incentivized to utilize alternate conservation measures. Instead, the Group recommends that an 8% total cap on credits and adjustments be implemented.

Thank you for this second opportunity to comment on the proposed Emergency Regulation for 2016. If you have any questions regarding this matter, please contact Dominic Nunneri at 626-793-9400, or by e-mail at dnunneri@lagerlof.com.

Very truly yours,

![Signature]

Dominic V. Nunneri

DJN/cc
cc: Public Water Agencies Group Members (via e-mail)

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