January 5, 2016

Ms. Felicia Marcus, Chair, and
Honorable Members of the State Water Resources Control Board
1001 "I" Street, 25th Floor
Sacramento, CA 95814

Via E-mail to Kathy Frevert, SWRCB

Subject: Comments on Proposed Regulatory Framework

Dear Ms. Marcus and Honorable Members of the State Water Resources Control Board,

Thank you for the opportunity to submit comments on the proposed Framework for the Extended Regulations ("Framework") for Urban Water Conservation. After review, it is clear that the proposed Framework reflects the fact that the State Board staff has heard and considered comments from the water community. We support the concept that individual agency conservation mandates be adjusted for climate, growth and the development of drought resilient supplies.

However, while the proposed Framework begins to address the inequities of the current one-size-fits-all regulatory policy, it does not go far enough to recognize supply reliability differences throughout the State.

It is in this context that we offer the following comments to be considered in the formulation of the draft Extended Regulations:

1. The 4 percentage point conservation reduction cap contained in the proposed Framework is helpful, but does not appropriately acknowledge the investment in drought resilient supplies that regions have made; nor does it reflect the importance and full value of these supplies to California’s economy. Imposing an overall reduction cap on credits and adjustments would negate the ability to fully utilize those credits and adjustments that are intended to recognize supply conditions, local characteristics, and investments in drought resilient supplies that are unique to each community.

2. Conservation reductions should be directly linked to urban water suppliers’ drought resilient supply investments. For example, the urban water suppliers in San Diego County should receive a benefit commensurate with the Carlsbad Desalination Project supplying up to 10% of the total potable water demand for the San Diego region.

3. The proposed Supply Credit excludes drought-resilient sources of supply such as desalinated brackish groundwater and conserved water from long-term transfers; these
supplies should be included. These sources of supply allow urban water suppliers to diversify their supply portfolio with highly reliable water supplies that protect the region against shortages and reduces reliance on the Bay-Delta. In addition, by recognizing the value of long-term conservation and transfer programs, the agricultural community can significantly improve its water use efficiency through investments by the urban sector.

4. To equitably reflect the investments communities have made in drought-resilient supplies, the Emergency Regulation should provide credit for supplies developed prior to 2013. Pre-2013 supplies have better prepared California for this drought and future droughts by helping to reduce, forestall, or in some cases eliminate shortage impacts. In addition, these early investments in supplies are consistent with the Governor’s Water Action Plan.

5. The current provisions of the Commercial Agricultural Exemption should be retained in the extended regulations. Establishing an arbitrary dollar value threshold ignores the reality that crop volumes and price vary and the value in any given year could fall below the threshold.

6. The Framework does not address the uncertainties regarding this year’s water supply situation and the potential for significant improvements due to El Niño conditions. Language should be included in the regulation to require the State Water Board to revisit the regulation no later than April 2016 to ensure there is a nexus between the required reduction mandate and supply conditions both statewide and regionally.

Again, we want to thank you for the opportunity to comment on the Proposed Regulatory Framework for Extended Emergency Regulation for Urban Water Conservation. Please feel free to contact me at 858.761.2110 or mbardin@sfidwater.org if you have any questions or require clarification regarding our comments.

Sincerely,

Michael J. Bardin
General Manager