

Street Address: 18700 Ward Street Fountain Valley, California 92708

Mailing Address: P.O. Box 20895 Fountain Valley, CA 92728-0895

> (714) 963-3058 Fax: (714) 964-9389 www.mwdoc.com

> > Larry D. Dick President

Wayne S. Osborne Vice President

> Brett R. Barbre Director

Joan C. Finnegan Director

> Susan Hinman Director

Sat Tamaribuchi Director

Jeffery M. Thomas Director

Robert J. Hunter General Manager

## **MEMBER AGENCIES**

City of Brea City of Buena Park East Orange County Water District El Toro Water District **Emerald Bay Service District** City of Fountain Valley City of Garden Grove Golden State Water Co. City of Huntington Beach Irvine Ranch Water District Laguna Beach County Water District City of La Habra City of La Palma Mesa Water District Moulton Niguel Water District City of Newport Beach City of Orange Orange County Water District City of San Clemente City of San Juan Capistrano Santa Margarita Water District City of Seal Beach Serrano Water District South Coast Water District Trabuco Canyon Water District City of Tustin City of Westminster

Yorba Linda Water District

January 6, 2016

Sent via email to Kathy Frevert at Kathy.Frevert@waterboards.ca.gov

State Water Resources Control Board 1001 I Street, 24<sup>th</sup> Floor Sacramento, CA 95814

Dear Board Members,

The Municipal Water District of Orange County (MWDOC) appreciates the continued opportunities to provide input to shape the Proposed Regulatory Framework for Extended Emergency Regulations for Urban Water Conservation. Our comments focus on the State Board staff recommendations dated December 21, 2015. MWDOC provides the following comments:

<u>Cap on Credits and Adjustments</u>: We do not support the four percent limitation on credits and adjustments. If the proposed credits and adjustments are valid and justifiable on their own merits, there should not be a maximum of a four percentage point decrease to any individual water supplier's Conservation Standard. Each credit and adjustment should stand alone and accumulate to whatever reduction is calculated for that agency.

Drought Resilient Sources of Supply Credit: In addition to indirect potable reuse and desalinated seawater, we believe that brackish groundwater and other types of impaired groundwater should be treated as a Resilient Source of Supply. Developing these leading edge sustainable supplies not only provides a new supply but, more importantly, improves management of the groundwater basin, improves water quality in the basin and extends and expands the use of the basin. In addition, we believe that all these sources be treated identical to purple pipe recycled water. We propose this credit be accomplished by subtracting the volume of these sustainable supplies from production in the base year and reassigning conservation standards. This is a simple, fair and straight forward approach to this credit.

Additionally, limiting the credit to supplies developed since 2013 is arbitrary. These sources of supply require a significant amount of time to develop due to pilot testing, permitting, design and construction. We believe that a time threshold for developing these supplies should be eliminated.

State Water Resources Control Board Page 2 January 6, 2016

Growth Adjustment: The growth adjustment should not be subject to the overall cap of 4 percent if a cap is used. Calculating a Growth Adjustment outside of a cap on Credits and Adjustments is reasonable and improves equity.

New development, built to meet current low water use standards, is a legitimate reason for efficient growth in water use. To improve equity within the Emergency Regulations, a Growth Adjustment should be addressed in a more direct and meaningful way. The Adjustment should be comparative to the growth in water use. The Staff Recommendation to calculate a Growth Adjustment is overly complicated and results in a disproportionately low adjustment relative to the amount of growth experienced. It also relies on landscape area measurement data that most agencies will not have but is necessary to calculate the proposed Adjustment.

We support the Stakeholder proposal for the Growth Adjustment. It is simple and straight forward, and the data needed to calculate the adjustment is readily available for all agencies considering this Adjustment. We ask that the State Board reconsider the staff recommendation not to accept the Stakeholder Proposal Growth Adjustment as it is more logically correct by providing an adjustment that is proportionate to the growth of efficient development. It is also simple to calculate and does not require data that is not readily available.

Regional Compliance: We ask that the State Board reconsider the staff recommendation not to allow Regional Compliance. We disagree with the claim that a regional approach will reduce water suppler accountability. In fact, accountability will be maintained at both a local level by the region and by the State Board. Agencies considering a regional approach will evaluate each potential member's ability and commitment to meet the individual and regional Conservation Standards. If it is viewed that an agency will jeopardize a region's ability to meet its Conservation Standard, they will not be accepted into the region. During the monitoring period, if a member of the region appears to jeopardize meeting the regional goal, significant peer pressure will have an influence on the actions of that agency to improve savings. Ultimately, the Stakeholder Proposal provides for enforcement action by the State Board at the individual agency level. State Board staff's concern about timely enforcement may justify a more aggressive enforcement action to agencies subject to enforcement action by the State Board.

State Water Resources Control Board Page 3 January 6, 2016

In Orange County, we are already disseminating consistent messages throughout the county as suggested by State Board staff. However, the confusion lies in different Conservation Standards for each agency in Orange County. The Stakeholder Proposal converts the individual agency Conservation Standards into one regional standard that targets the same overall level of water savings and eliminates the confusion of differences in Conservation Standards from one agency to another. We support the Stakeholder Proposal for a Regional Compliance Approach and appreciate the State Board's reconsideration of the staff recommendation for the reasons provided above.

Thank you for considering our comments. We look forward to providing any clarification you may need. I can be reached at (714) 593-5026.

Sincerely,

Robert J. Hunter General Manager