January 11, 2017

Jeanine Townsend, Clerk of the Board
State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, CA 95814

Dear Ms. Townsend:

Re: Comment Letter-Urban Water Conservation Workshop

The County of San Diego ("County") appreciates the opportunity provided by the State Water Resources Control Board ("Water Board") to comment on the proposed extension to October 2017 of the Drought Emergency Water Conservation Regulations, 23 CCR § 863, et seq. ("Drought Regulations"). While the County conceptually agrees with a supply reliability based conservation standard like the one included in the May 2016 amendment of the Drought Regulations, the County does not understand how the Water Board can continue to use emergency authority to extend the Drought Regulations. The Drought Regulations have been in place since July 2014, and should be allowed to sunset. The Water Board can then focus its efforts on the development of permanent drought regulations.

Allowing the Drought Regulations to sunset during the rainy season when water consumption is low poses no real risk to potable water supplies. If, after the rainy season concludes, drought conditions persist in a way that presents an imminent drought emergency, the Drought Regulations can be reenacted in accordance with applicable law. In Executive Order B-37-16, the Governor directed state agencies to transition from emergency regulations "to permanent, long-term improvements in water use." In accordance with this direction, the Water Board joined with other state agencies and distributed for public review in November 2016 a report entitled "Making Water Conservation a California Way of Life, Implementing Executive Order B-37-16" (hereinafter "Report"). The Report lays out actions the Water Board and other state agencies can take to build on water conservation measures already implemented across the State. The County commented on the Report by letter dated December 19, 2016. A copy of the County’s comment letter is attached for your reference. The County would encourage the Water Board to implement the recommendations identified in the Report in a manner consistent with the County’s comments rather than continuing to extend emergency regulations.
Jeanine Townsend
Page 2
January 11, 2017

The County appreciates the opportunity to provide these comments and looks forward to working with the Water Board on the permanent drought regulations. If you have any questions or would like additional information, please do not hesitate to contact Charles Marchesano, Chief, Department of General Services at (858) 694-2987.

Sincerely,

[Signature]

DONALD F. STEUER
Assistant Chief Administrative Officer/Chief Operating Officer

Enclosure

cc: Helen Robbins-Meyer, Chief Administrative Officer
    April Heinze, Acting General Manager, Community Services Group
December 19, 2016

Mark W. Cowin, Director
California Department of Water Resources
1416 9th Street
Sacramento, CA 95814

Dear Mr. Cowin:

Re: Comments on Draft Report Implementing Executive Order B-37-16

The County of San Diego ("County") appreciates this opportunity to comment on the draft report entitled "Making Water Conservation a California Way of Life" prepared by the California Department of Water Resources and other State agencies to implement Executive Order B-37-16. The draft report sets forth in general terms action that may be taken largely by State agencies and local water purveyors to better prepare the State for future droughts. For many years, it has been the County's policy to require water conservation in public and private projects. As a result of this sustained effort and action by other local agencies, water conservation is already an established way of life in San Diego County. The County's practices are in accord with the policy objectives of conserving water and eliminating waste identified in the draft report. The County, however, is concerned that opportunities to partner with cities and counties to advance these objectives are being missed and potential impacts on local government services and business activities underappreciated. The County offers the following comments in the hope that these concerns can be addressed in the final report.

Accounting for Investment in Drought Resilient Supply: The draft report proposes a calculation at Section 3.1.3 that urban water purveyors will be required to use to demonstrate compliance with a water conservation target. The calculation establishes a water budget based on the sum of residential indoor water use, outdoor irrigation water use and water loss. The water budget is then compared against a compliance volume that is calculated by subtracting commercial, institutional and industrial ("CII") deliveries if certain conditions are met from total water production for an urban water supplier. If the compliance volume is less than the water budget, the purveyor will be in compliance with the State’s requirements.

The water budget is not based on a single volumetric reduction target and instead allows for regional variation by including factors like number of residential units and evapotranspiration rates in the calculation. The approach proposed by the State represents a significant improvement over earlier State water conservation requirements that mandated a single percentage reduction of potable water use regardless of local conditions. That said, the water budget and compliance volume calculations fail to include any adjustment for investment in drought resilient supply. Failing to account for local investment in drought resilient supply risks disincentivizing development of new sources of supply like
desalination and potable reuse and improvements to existing infrastructure like expanding reservoir capacity.

In San Diego County, recent investments in drought resilient supply have been substantial. In 2014, the San Vicente Dam Raise Project was completed by the San Diego County Water Authority. The project raised the height of the dam by 117 feet allowing for additional storage of up to 152,000 acre feet of water. Starting in December 2015, water deliveries began from the Carlsbad Desalination Plant. The plant provides 50 million gallons of treated seawater a day to San Diego customers. The San Diego County Sanitation District and other area sewer providers entered into an agreement earlier this year to share costs to explore the feasibility of implementing potable reuse in portions of San Diego County. Investments like these should be accounted for by the State in its water compliance calculations.

The County requests that another category for investments in drought resilient supply be added to the water budget calculation. The result would be a water budget calculation that looks like this: Water Budget = Residential Indoor Water Use + Outdoor Irrigation Water Use + Water Loss + Drought Resilient Supply.

Meaningful Participation of Cities and Counties: With the exception of anticipated county participation in drought planning for small water suppliers and rural communities, the draft report largely leaves the development of drought response plans and water conservation regulations to urban water suppliers. For the County, this represents a significant challenge. The County manages prisons, parks, airports and other government properties within the service areas of at least 15 separate urban water suppliers. The draft report contemplates at Section 3.1.4, that each of these suppliers will regulate the County through “...discretionary actions of their choosing...to ensure that their overall water use efficiency targets are met.” Similarly, the draft report at Section 3.2.3 contemplates that each of these urban water suppliers “will gain” County compliance with Shortage Response Actions (“SRAs”) mandated by the suppliers.

While the County appreciates that the draft report contemplates an appeal/exemption process from SRAs to accommodate unique circumstances, there is no indication what those circumstances may be or a guarantee an exemption will be forthcoming. In order to ensure that essential government services are not adversely impacted by local water supplier requirements, the County will have to track and attempt to facilitate changes to proposed requirements from these agencies. Given the large number of water suppliers serving County properties, the risk an adverse requirement will be imposed without prior input from the County is substantial. Moreover, instead of facilitating partnerships between the County and local water suppliers to promote water conservation and the elimination of waste, the process proposed by the State risks creating an adversarial relationship when the County and its water suppliers likely share the same goals.

The County is convinced that the best way for the State to achieve the goals identified in its draft report is to find ways to partner with cities and counties rather than simply regulate them through local water suppliers. In response to the recent drought emergency, the County adopted a Drought Response Action Plan that included the allocation of $14,758,000 to complete or accelerate water conservation efforts at County facilities. This allocation was used to fund turf conversions, fixture replacements and other water conservation measures. From May of 2014 through June 2016, County water conservation efforts at its facilities resulted in a 28% reduction in potable water use. This amounts to more than 145 million gallons of potable water saved.
The County proposes that city and county facilities be removed from urban water purveyor conservation targets and SRAs where it can be demonstrated the facilities meet established water conservation requirements. The County would request the State work with local government to establish what these water conservation requirements are rather than deferring this decision to local water suppliers with the apparent hope that things will just work out.

**Potentially Costly CII Impacts:** The State proposes at Section 3.1.3 of the draft report that CII water customers be subjected to separate performance standards to be implemented by urban water suppliers. The performance standards would include a requirement that all landscapes of a certain size be separately metered, that benchmarks for water use efficiency be established and that water use audits be prepared for CII accounts over a specified size. The installation of separate meters and preparation of water use audits can be costly and ultimately unnecessary.

If the goal of the State is to achieve higher water conservation rates at CII properties, the County would suggest that properties which meet certain design standards be deemed to meet State mandated conservation requirements. Paying for separate meters and audits diverts money away from investment in fixture replacements, turf conversions and other facilities changes that actually conserve water. Rather than spend more on studies and metrics, the County would request that the State focus on implementation of actual conservation measures as a way of ensuring water conservation at CII properties. To facilitate development of implementable design standards, the County suggests the State form a working group that includes CII facilities owners to determine what changes can reasonably be implemented at existing and future facilities.

**Impacts to Agriculture:** The State proposes to lower the threshold for the preparation of Agricultural Water Management Plans ("AWMPs") by agricultural water suppliers from 25,000 irrigated acres to 10,000 irrigated acres. While the County supports developing strategies to conserve water and prevent waste in agricultural operations, the County is concerned that relatively small agricultural water suppliers will find it difficult to finance the development and implementation of AWMPs. In addition, small agencies with limited resources may find it difficult to develop additional sources of supply as part of the action plan included in an AWMP so that more reliance will have to be placed on demand management. This could mean the forced idling of more fields in response to drought. The County would encourage the State to assist small agricultural water suppliers with the development of AWMPs and alternative sources of supply so that demand management tools like filed idling are a last resort.

The County very much appreciates being provided with an opportunity to provide these comments. If you have any questions or would like additional information, please do not hesitate to contact me directly at (619) 531-4940 or Charles Marchesano, Chief, County Department of General Services at (858) 694-2987.

Sincerely,

DONALD F. STEUER
Assistant Chief Administrative Officer/Chief Operating Officer

cc: Helen Robbins-Meyer, Chief Administrative Officer
April Heinze, Acting General Manager, Community Services Group