April 13, 2015

Jessica Bean
Engineering Geologist
State Water Resources Control Board
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Sacramento, CA 95814
Delivered via Email: jessica.bean@waterboards.ca.gov

Mandatory Conservation Proposed Regulatory Framework

Dear Ms. Bean:

Monte Vista Water District (District) respectfully submits the following comments in response to the Mandatory Conservation Proposed Regulatory Framework published by the State Water Resources Control Board (State Board) on Tuesday, April 7, 2015, in response to Governor Brown’s Executive Order of April 1, 2015.

Monte Vista Water District, a public water agency, provides retail and wholesale water supply services to over 130,000 individuals residing within the communities of Montclair, Chino, and Chino Hills on the west end of San Bernardino County. Over the past decade, the District has invested millions of ratepayer dollars to develop local water supplies in order to reduce reliance on imported water. At the same time, our ratepayers achieved a 22% reduction in demand, and they have maintained their historic low level of consumption during the past five years of economic recovery and population growth. We are proud that our customer-owners are currently 25% below the historical baseline for the 20% by 2020 urban water use reduction requirement established by state law in 2009.

We support the Governor’s call to conserve due to this severe drought, and we expect our customers to once again step up and respond to his call for an additional 25% reduction in use—which equates to up to a 50% reduction from historical levels. The District is committed to assisting our customers in complying with this emergency request through adjustments to our existing budget-based tiered rate structure which incentivizes efficient use, new and expanded conservation programs including enhanced turf removal rebates, new water use restrictions, and higher levels of enforcement of existing restrictions. The District also recognizes that it will be increasingly difficult for our customers to achieve additional savings without significant financial impacts.
That said, when we ask our customers to achieve these additional and significant reductions in use, we believe it is important that their success be properly measured and accounted for by State regulators. We are concerned by the metric the State Board has proposed to use in measuring current and future levels of performance and compliance. Our specific concerns are as follows:

1. **Concern: Residential Gallons Per Capita Per Day (R-GPCD) has not been properly vetted as a standardized metric for apportioning water supplier reductions or for measuring performance or compliance.**

   Following the historic water legislation passed in 2009, a comprehensive stakeholder process developed a standardized metric for measuring demand reduction: Gallons Per Capita Per Day (GPCD). Following the Governor’s first Executive Order in January 2014, the State Board has adopted a different metric, R-GPCD, which takes GPCD and divides it by a percentage of residential consumption supplied by each water agency.

   While the State Board published standards for calculating R-GPCD, there has not to our knowledge been a review of how agencies define or track residential use. For instance, if an agency excludes multi-family use (or categorizes it differently as commercial or landscape metered use) from their residential percentage, the result would be an artificially low R-GPCD number compared to other agencies. A quick review of State Board data received from public agencies shows a diversity of methods used in calculating R-GPCD.

   GPCD, in contrast to R-GPCD, is a standardized a metric that has received a thorough review by state urban water professionals. Reverting to GPCD would allow agencies to align their performance under these emergency regulations with their long-term goals for reducing water use across all sectors. It would also provide agencies with flexibility in targeting conservation efforts where the most significant and immediate reductions can be achieved.

   **Recommendation: Replace R-GPCD with GPCD as a standardized and fully vetted metric for apportioning water supplier reductions and for measuring performance and compliance with State regulations.**

2. **Concern: Comparing month-to-month demands may lead to inaccurate portrayals of successful demand reduction.**

   We appreciate the State Board’s proposal to assess suppliers’ compliance for both monthly and cumulative water usage reduction. Monthly comparative data, however, may not provide an accurate picture of success in achieving long-term and sustained demand reduction, which is the only way to address the “new normal” of long-term drought.

   **Recommendation: Use annualized data to apportion water supplier reductions and track compliance with water use reduction requirements.** Example: for June 2015, compare the suppliers’ demand during the most recent calendar year (July 2014 – June 2015) with their demand in calendar year 2013 (January 2013 – December 2013).
3. Concern: In any given month, a water supplier may need to use significant quantities of water for standard and efficient water system maintenance and water supply management.

Over the past six years, our District has carefully tracked our non-revenue water demands, especially those required for system maintenance and water supply management. Such demands include hydrant flushing, fire flow testing, and groundwater production pumping to ensure system water quality, as well as groundwater injection through aquifer storage and recovery wells to ensure groundwater sustainability and availability. Most system maintenance flows are recaptured by local storm drains and directed to groundwater recharge basins for reuse as future local water supply.

Recommendation: Allow suppliers the option to adjust monthly production numbers to account for known, tracked, and audited non-revenue water uses that are valid and not wasteful uses of system water.

Finally, the District recognizes that the Governor’s Order established the year 2013 as the baseline for performance under this Executive Order. However, setting such a near-term baseline effectively penalizes the proactive efforts of agencies, such as the District, who have asked our customers to achieve and maintain significant conservation savings over the past decade. We respectfully ask the State Board to find a fair methodology to measure performance that does not penalize those who have been proactive in stepping up and changing their water use habits.

Thank you for considering our concerns as you make important decisions over the coming weeks. We appreciate the amazing amount of effort, talent, and intelligence that you and your staff apply to these decisions, and we look forward to working together with our fellow water suppliers and the State Board in facing current and future water supply challenges.

Sincerely,

Monte Vista Water District

Mark N. Kinsey
General Manager

Attachment

cc: Monte Vista Water District Board of Directors
    The Honorable Assemblymember Freddie Rodriguez, California State Assembly
    The Honorable Senator Connie M. Leyva, California State Senate
    The Honorable Senator Mike Morrell, California State Senate
    The Honorable Senator Bob Huff, California State Senate