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April 13, 2015

Ms. Jessica Bean State Water Resources Control Board Jessica.Bean@waterboards.ca.gov

Dear Ms. Bean:

Subject: Comments on the State Water Resources Control Board (SWRCB) Mandatory Conservation Proposed Regulatory Framework

Thank you for the opportunity to comment on the Mandatory Conservation Proposed Regulatory Framework. The Los Angeles Department of Water and Power (LADWP) understands the importance of reducing water use to address the drought and the need to embrace conservation as a way of life in California. LADWP has been a leader in water conservation for decades and has resulted in Angelinos using the same amount of water today as we used 45 years ago despite a population increase of 1.1 million people.

LADWP uses a variety of strategies to improve our water efficiency, including local ordinances, public education, and rebate programs. Since the implementation of our Emergency Water Conservation Ordinance in 2008, we have reduced our Residential gallons per capita per day (GPCD) by 25 percent, from 106 to 79.

In addition, LADWP has spent over \$300 million during the last ten years on water conservation programs. LADWP offers extremely generous rebates to our customers, such as \$3.75 per square foot of turf removed, \$100 for a rain barrel, \$300 for a highefficiency clothes washer, and \$150 for a high-efficiency toilet. Our turf removal program has resulted in replacement of over 14 million square feet of grass with California-friendly landscapes.

Furthermore, LADWP has saved over nine billion gallons in total water conservation savings during the statewide Emergency Conservation Regulation period from June 2014 to February 2015. This is more than any other urban water supplier has saved during that period. With that in mind, LADWP appreciates SWRCB's methodology to account for recent levels of water usage and apply an appropriate percent reduction to

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each supplier. In relation to the new regulations proposed, LADWP would like to submit the following comments:

Urban Water Suppliers: Compliance Assessment

Monthly Compliance: Monthly water usage can fluctuate significantly with varying temperature and precipitation levels. This was evident this past December 2014, when water savings statewide equated to a 22 percent reduction due to that month having significantly more rainfall than December 2013. However, in January and February 2015, water savings dropped down to 8 percent and 2.8 percent statewide due to lack of rain and above average temperatures. In summary, these monthly numbers are meaningless and the use of these numbers for compliance will result in failure by the water agencies.

LADWP recommends that monthly data not be used for compliance and enforcement. Monthly compliance should be assessed using a 12-month rolling average water usage rather than a one-month snapshot. Therefore, the first reporting month (June 2015) would start using a July 2014-June 2015 average, and the July 2015 reporting month would be from August 2014-July 2015, etc. Viewing a 12-month rolling average water usage for the month provides a simple method of correcting for extreme weather fluctuations. For your reference, attached is LADWP's 12-month rolling total GPCD compared to a monthly total GPCD.

Urban Water Suppliers: Apportioning Water Supplier Reductions

LADWP agrees with SWRCB's methodology in using Residential GPCD (R-GPCD) to determine how much reduction is needed in each water supplier's service area. The method provides a way to partially account for past conservation achieved by water suppliers and requires more conservation from the highest water users. However, the following is suggested to improve the methodology and create an even more equitable process:

Allocating Tiers Based on 2013 R-GPCD: Since the baseline year for comparison of water usage is 2013, LADWP recommends that R-GPCD data from 2013 be used to calculate the tiers for percent reduction. As June 2015 through February 2016 is the compliance period, tier calculation should be based on average R-GPCD from these same months in 2013. Using the nine-month average rather than the single month of September 2014, will better account for significant climate and weather variations between water suppliers throughout California. For September 2014, the majority of the state experienced above average temperatures; however, rainfall was extremely variable. Northern California received 1.5 to 4 times higher than normal rainfall in

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September 2014, whereas Central and Southern California received about half the average rainfall.

Urban Water Suppliers: New Reporting Requirements

LADWP appreciates the need for SWRCB to assess compliance with commercial, industrial, and institutional (CII) reductions in water usage. The following are concerns and considerations for the new reporting requirements:

Large Landscape Customers: LADWP's large landscape customer usage cannot be easily separated out from commercial, industrial, and institutional usage. Large landscape customers are not listed under a separate classification in our billing system, and can be placed into any of the three commercial, industrial, and institutional usage categories. LADWP has over 600,000 accounts, and manually separating out large landscape customers in our billing system on a monthly basis will be an extremely time-consuming and near impossible task. Considering SWRCB is looking for total reduction in the CII sector, LADWP recommends that SWRCB require only total CII usage be reported.

Urban Water Suppliers: Enforcement

LADWP appreciates the varied tools available to SWRCB to enforce the regulation and urges SWRCB to use information orders prior to issuance of any conservation orders, informal actions, and formal actions.

Additional Prohibitions and End-User Requirements

This section raises the question of how SWRCB is planning to enforce prohibitions on irrigation for new construction and street median turf. Often, these are governed by agencies outside of the water supplier organization. SWRCB will need to enforce these requirements directly with those agencies, not with water suppliers.

Data Guidelines

LADWP urges SWRCB to develop clear and concise guidelines for reporting compliance with the new regulations, including but not limited to water production, population, GPCD, and residential percentage. For example, the reporting of water supply into a system would include reservoir storage changes, groundwater storage, and unaccounted water (water losses due to leakage, flushing, evaporation theft, fire flows, and all other non-billed usage); whereas reporting of water demand only accounts for customer use from the billing system. Without a defined methodology for

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consistency, the regulation is prone to gaming and will not meet the 25 percent statewide target.

Once again, thank you for the opportunity to comment. If you have any questions or require additional information, please contact Ms. Penny M. Falcon, Manager of Conservation Policy, Legislation and Grants, at (213) 367-4647 or penny.falcon@ladwp.com.

Sincerely,

Martin L. Adams

SM:ar Attachment

c: Ms. Penny M. Falcon David R. Pettijohn

