

Felicia Marcus, Chair  
State Water Resources Control Board  
1001 I Street  
Sacramento, CA 95814

April 22, 2015

Re: DRAFT EMERGENCY REGULATIONS – DROUGHT EMERGENCY WATER  
CONSERVATION

Dear Ms. Marcus,

We are writing to provide comment on the Draft Drought Emergency Water Conservation Regulations issued on April 17, 2105. Our comments refine and amplify suggestions we provided for the proposed Mandatory Conservation Regulatory Framework that was released in response to the Governor's April 1 Executive Order. WaterSmart Software, a software-as-a-service provider that offers water utilities monitoring, engagement and compliance services, serves over two dozen utilities in California. We are eager to help utilities throughout the state effectively and nimbly respond to the drought and achieve measurable reductions in use. Below we provide a short background on WaterSmart and comments on the proposed regulations.

### **Background**

In the State's [Water Action Plan](#), Governor Brown issued a call to make "conservation a California way of life." Now, in the worst drought to face California, the Governor's [Executive Order](#) (EO) sets a critical target to achieve a statewide average 25% reduction over 2013 levels by February 2016—just 10 months away. California communities need proven solutions that can be implemented immediately at an affordable cost, but many traditional water conservation devices and conventional urban strategies are already deployed throughout much of urban California. Governor Brown, when announcing the drought Executive Order, called for actions to "invest in new technologies that will make California more drought tolerant." Statewide deployment of innovative and effective technologies needs to ramp up immediately in order to meet the near-term 25% reduction target.

One of the most effective new tools is water-use monitoring software that applies social norms to facilitate behavior change to conserve water. Applied water-use monitoring software is readily available and can be deployed immediately. It is cost-effective and proven to achieve significant reductions in water use in water

districts in California. There is an opportunity now to immediately accelerate deployment of this cost-effective technology to achieve a substantial portion in the needed 25% reduction in water usage throughout the state.

Water-use monitoring software has been implemented at over 40 utilities that serve over 10% of California's residential water customers. A half-dozen different software vendors currently provide solutions in the market. The first [independent evaluation](#) of this new technology in California was conducted at EBMUD funded by the [California Water Foundation](#). Authors David Mitchell and Tom Chestnutt found that residential customers in two groups that received reports and access to a customer portal reduced demand by 4.6% and 6.6% within 12 months. In addition, these customers were more than twice as likely to participate in water conservation rebate programs offered by the utility, and rated their utility as excellent at twice the rate of a control group in a randomized control trial.

Water-Use Monitoring Software that contains both consumer and utility-side analytics can help agencies more easily comply with existing and future regulations and restrictions. Software, paired with appropriate metering hardware, can track whether end-customers are reducing demand sufficiently, indicate and notify customers of leaks, flag watering during rain events or on prohibited days of the week, track fines and violations, calculate residential GPCD, and automatically report all this information to utility managers and to state agencies.

### **Comments**

Statewide deployment of Water-Use Monitoring Software with social-norm based messaging offers an immediate opportunity to achieve one fifth of the Governor's water reduction target by February 2016, and offers an efficient tool to help California water agencies provide accurate, timely compliance reports to the State.

Behavior change offers one of the fastest options to substantially reduce water use, and has been primarily achieved using either targeted social norm messaging and/or increased pricing. This week's San Juan Capistrano appeals court ruling, which states that fees cannot exceed proportional costs attributed to the usage of each parcel, will limit the price of upper tiers and hinder water-saving behavior change driven by price increases alone. The need to deploy Water-Use Monitoring Software that applies social norms to facilitate behavior change to conserve water, therefore, is particularly acute.

We respectfully request that the Board consider recommending, requiring, and/or incentivizing the use of Water-Use Monitoring Software with social-norm based messaging to drive immediate, affordable and proven water conservation.

Thank you again for the Board's strong leadership to respond to the historic drought. We are poised to immediately help the State and all water utilities cost effectively meet needed near-term reductions and make water conservation "a way of life" throughout California.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter Yolles". The signature is fluid and cursive, with the first name "Peter" and last name "Yolles" clearly distinguishable.

Peter Yolles  
Founder  
WaterSmart Software