

## NEVADA IRRIGATION DISTRICT

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April 22, 2015

VIA ELECTRONIC MAIL

Ms. Jessica Bean State Water Resources Control Board I Street, 24<sup>th</sup> Floor Sacramento, CA 95814 Jessica.bean@waterboards.ca.gov

RE: Comment Letter – Proposed Draft Article 22.5 Drought Emergency Water Conservation

Dear Board Members:

The Nevada Irrigation District appreciates the opportunity to provide comments on the State Water Resources Control Board's proposed emergency regulations concerning mandatory water conservation measures. The District previously submitted comments on April 13, 2015, to the SWRCB's draft regulatory framework. The SWRCB incorporated many of the District's comments and took a good first-step in the draft regulations by adding flexibility and in addressing the District's concerns. The District encourages the SWRCB to make the following additional changes to the draft regulations:

1. The Regulations Should Not Imply that Failure to Achieve the Mandated Conservation Standard is Per Se Waste and Unreasonable Use; Nevada Irrigation District Recommends Striking All References to Waste and Unreasonable Use in the Regulations

For nearly 90 years, the Constitutional prohibition on waste and unreasonable use has been applied on a fact-specific and case-by-case basis after opportunity to be heard and the presentation of evidence in an adjudicatory or quasi-adjudicatory setting. (E.g., Tulare Irrigation Dist. v. Lindsay-Strathmore Irrigation. Dist. (1935) 3 Cal.2d 489 (applying water for the purpose of drowning gophers not reasonable); Joslin v. Marin Municipal Water Dist. (1967) 67 Cal.2d 132 (use of water to transport sand and gravel down riverbed for later extraction not reasonable); Imperial Irrigation Dist. v. SWRCB (1990) 225 Cal.App.3d 548 (excessive canal spills, tail water, and seepage constituted waste of water.) Specific facts considered in such cases included, but were by no means limited to, the amounts of water needed for the users' beneficial uses, the

State Water Resources Control Board Comment Letter – Proposed Draft Article 22.5 Drought Emergency Water Conservation April 22, 2015 Page 2 of 4

relative importance of competing uses, the local scarcity of water resources, and local water use customs.

In contrast, the regulations engage in no such analysis and instead imply that failure to meet the applicable conservation tier will necessarily constitute waste and unreasonable use of water. What may be "wasteful" or "unreasonable" will depend on the applicable facts involved and each water supplier ought to be able to present its case for why it believes its water practices are efficient and reasonable, notwithstanding a possible failure to adhere to the SWRCB's conservation mandate. For example, a supplier in Tier 9 (36%) with wise water use requirements in place, sufficient stored surface water supplies, and operational projections that provide for adequate end of water year carryover storage should not be labeled as wasteful or unreasonable simply because it failed to achieve the mandated conservation level.

The District is deeply troubled with the SWRCB's recent trend to declare water uses and/or practices wasteful and unreasonable without undertaking the requisite case-by-case factual analysis. This trend appeared to start with the emergency regulations on Mill, Deer, and Antelope Creeks where the SWRCB declared all diversions and uses (except for health and safety) automatically wasteful and unreasonable if such diversions interfered with the proscribed minimum instream flow or pulse flow regime. The current emergency urban conservation regulations are drafted in a similar manner where potential violators, despite best efforts, are branded as unreasonable water wasters.

The SWRCB can satisfy the Governor's April 1<sup>st</sup> Executive Order and the requisite conservation targets without referencing or improperly expanding the waste and unreasonable use doctrine. The regulations need not specifically refer to waste and unreasonable use for the SWRCB to have that tool available to it in the event of enforcement. The District urges the SWRCB to strike all references to waste and unreasonable use.

## 2. The SWRCB Should Add Further Flexibility to the Emergency Regulatory Scheme

a. <u>Section 865</u>, <u>subdivision (c)(2)</u>, <u>Should Be Expanded To Include Suppliers With</u>
<u>Adequate Surface Water Storage and Projected Adequate Carryover Storage Levels</u>

The District and its ratepayers acquired and perfected senior water rights and have planned, financed, and constructed facilities to manage multiyear droughts, as we are currently experiencing. A one-sized-fits-all regulatory scheme would ignore these prior rights and efforts by the District and its ratepayers to ensure adequate water supplies notwithstanding multiyear droughts. Blunt, inflexible regulations that do not account for local water supply conditions would unjustly penalize ratepayers that have invested considerable sums of money ensuring they have a safe, reliable water supply even in extended droughts. Further, water conserved would remain in storage and not benefit other areas of the State. The District recommends expanding Section 865, subdivision (c)(2), to address these realities:

State Water Resources Control Board Comment Letter – Proposed Draft Article 22.5 Drought Emergency Water Conservation April 22, 2015 Page 3 of 4

Each urban water supplier whose source of supply does not include groundwater or water imported from outside the hydrologic region and that received average annual precipitation in 2014 or has adequate surface water storage for 2015 and projected adequate carryover storage for the 2015/2016 water year may, notwithstanding its average July-September 2014 R-GPCD, submit for Executive Director approval a request to reduce its total water usage by 4 percent for each month as compared to the amount used in the same month in 2013. Any such request shall be accompanied by sufficient information showing that the supplier meets the criteria of this subsection. that the supplier's sources of supply do not include groundwater or water imported from outside the hydrologic region and that the supplier's service area received average annual precipitation in 2014.

b. The Emergency Regulations Should Acknowledge the Need for Limited Outdoor Watering To Minimize and Potentially Avoid Wildfires

The District's service area extends from the High Sierra Mountains to the foothills and requires special consideration when imposing drastic cuts in water use. Unlike many of the urban water suppliers identified in the proposed rulemaking package, the District's service area is characterize by large lots, dense forest, dry grasses, chaparral, and windstorms and, potentially, wildfires. Unlike many of the other suppliers assigned to the highest conservation tier, the District's service area is not characterized by opulent or lush ornamental landscaping.

In the hot, dry summer months, the District's service area is subject to extreme wildfire risk. It is almost entirely within a "Very High Fire Hazard Severity Zone," as classified by Cal Fire pursuant to 14 C.C.R. section 1280, and the portions that are not classified as "Very High" are classified as "High Fire Hazard Severity Zones." (See, also, requirements imposed by Pub. Res. Code §§ 4290 et seq.) In order to protect human health and safety, the District's customers need to be able to keep their grasslands watered and their tall trees alive. The SWRCB has already acknowledged as much, but has not incorporated that concern into the draft regulations. (See Fact Sheet for Draft Regulations Implementing 25% Conservation Standard at p. 4 ["It will be very important as these provisions are implemented to ensure that existing trees remain healthy and do not present a public safety hazard."].) Allowances must be made in the proposed regulations to allow the District and its customers, and similarly situated suppliers, to mitigate the significant risks to human health and safety posed by dry grasslands and dying forests in areas with extreme fire danger and windstorms. The District recommends adding the following to as a new subdivision to section 865:

Each urban water supplier whose source of supply does not include groundwater or water imported from outside the hydrologic region and whose service area includes areas classified by the California Department of Forestry and Fire Protection as a Very High Fire Hazard Safety Zone or State Water Resources Control Board Comment Letter – Proposed Draft Article 22.5 Drought Emergency Water Conservation April 22, 2015 Page 4 of 4

High Fire Hazard Severity Zone may, notwithstanding its average July-September 2014 R-GPCD, submit for Executive Director approval a request to reduce its total water usage by 4 percent for each month as compared to the amount used in the same month in 2013. Any such request shall be accompanied by sufficient information showing that the supplier meets the criteria of this subsection.

3. The Emergency Regulations Should Avoid Imposing Reductions on Hydroelectric Power Projects, Such as the District, That Individually or Cumulatively Put the Power Grid at Risk of Failure

The District owns and operates a number of hydroelectric powerhouses including the Yuba-Bear Hydroelectric Project (FERC Project No. 2266) which has a combined electric generation capacity of approximately 85 megawatts. The District's hydroelectric operations are incidental to its consumptive deliveries; that is, water that is run through the District's powerhouses to generate electricity is the same water that is used by its customers for consumption. Placing the District in Tier 9 would require the District's consumptive demands to be reduced by 36% and, potentially, result in a similar reduction in hydroelectric generation. Requiring 36% mandatory reductions when adequate supply exists creates an unnecessary reduction in power generation that will, along with water sales revenue, be financially catastrophic to the District. Additionally, such action will cumulatively effect the power grid given other power agencies like the District are categorized in Tier 9 (e.g., Placer County Water Agency, South Feather Water & Power Agency).

If the SWRCB adopts the revised language to Section 865(c)(2), quoted in 2.a. above, the District's concerns and the threat to the State's power grid can be alleviated.

Respectfully submitted,

Remleh Scherzinger, P.E

General Manager

cc: Senator Jim Nielsen

Senator Ted Gains

Assembly Member Beth Gains Assembly Member Brian Dahle

MCWRA – John Kingsbury

ACWA – Tim Quinn

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