



Via Electronic Mail

May 1, 2015

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



SUBJECT: Comment Letter – Emergency Conservation Regulation

Dear Chairwoman Marcus:

The California Chamber of Commerce is the largest broad-based business advocate to government in California. Membership represents one-quarter of the private sector jobs in California and includes firms of all sizes and companies from every industry within the state. Nearly three-fourths of CalChamber members are companies with 100 or fewer employees.

We offer these comments in response the State Water Resources Control Board's (Board) proposed drought emergency water conservation regulations.

It appears our earlier correspondence requesting that consideration be given for previous water conservation efforts undertaken by business was unable to be incorporated into the final regulations do to the tight timeframe under which the Board is operating. Many companies have invested heavily in new water saving technologies or innovative practices that reduced water usage over the last few years and cannot cut anymore from their usage without reducing their production which would result in lost jobs. The proposed regulations point to reductions in outdoor usage as the primary target but do not offer any safeguard from a water agency requiring reductions in commercial, industrial or institutional users when all water use efficiencies are in place.

Also unclear is the question of businesses that contract for the purchase of water for a specified amount of acre feet for a specified of time. What becomes of those contracts? It appears that the business would be obligated to pay the contract but also reduce by 25% the amount of water used. Also unanswered is the question of what happens when a business owner does not have control over the water used such as in apartment complexes that do not have individual meters per apartment or in industrial complexes that do not have separate water meters per unit or rental properties under contract in rent controlled cities that don't have the ability to raise rents to cover water usage. These are very important questions that need to be clarified.

More needs to be done to balance the water use restrictions with the reality that California's \$2 trillion economy cannot survive without a reliable water supply for its business and industry. A water supply cut of 25 percent across the board to California's commercial, industrial and institutional sectors will be difficult to achieve without severe economic dislocation. Modifying the final regulations to provide an

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increased emphasis on new state and local water supply development would send the right message that the state is meeting the challenge of management the drought.

Sincerely,

A handwritten signature in black ink, appearing to read "Nera". The signature is fluid and cursive, with the first letter being a large, stylized capital 'N'.

Valerie Nera
Policy Advocate

VN:ms