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VIA E-MAIL & FIRST CLASS MAIL

Ms. Jeanine Townsend, Clerk to the Board
State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, CA 95814

SUBJECT: COMMENTS BY THE PUBLIC WATER AGENCIES GROUP REGARDING THE POTENTIAL EXTENSION OF EXISTING EMERGENCY REGULATION FOR STATEWIDE URBAN WATER CONSERVATION

Dear Ms. Townsend:

We represent the Public Water Agencies Group (the "Group"), an informal association of 17 public agency water suppliers[1] who provide wholesale and retail water service in Los Angeles County. We appreciate the State Water Resources Control Board (the "State Board") providing this opportunity for stakeholders to comment on the potential extension and modification of the existing Emergency Regulation for Statewide Urban Water Conservation ("Emergency Regulation").

While we understand the need to have an approach to conservation that is understandable, adequately addresses the state's needs in terms of conservation, and is not overly complex, the Group believes the Emergency Regulation, in its current form, has failed to take into account a variety of important factors. That failure has resulted in disparate and unfair treatment of water users throughout the state.

The Group submits the comments below to be considered as the State Board decides how to move forward with modifications to the Emergency Regulation in 2016:

[1] The Group consists of Crescenta Valley Water District, Kinneloa Irrigation District, La Habra Heights County Water District, La Puente Valley County Water District, Newhall County Water District, Orchard Dale Water District, Palmdale Water District, Pico Water District, Quartz Hill Water District, Rowland Water District, San Gabriel County Water District, San Gabriel Valley Municipal Water District, Sativa-Los Angeles County Water District, South Montebello Irrigation District, Three Valleys Municipal Water District, Valley County Water District and Walnut Valley Water District.

1. **Population Growth Equity Adjustment.** The current conservation targets set for each water supplier were based on population figures from 2013. Since then, some areas of California have significantly grown, which increases the total population in those areas as compared to 2013. As a result, water suppliers in the areas that have experienced such growth have conservation requirements that do not account for that increased population. The State Board should take updated population figures that reflect such growth into account when reconsidering conservation targets in those growth areas.

2. **Recycled Water Equity Credit.** The greatest potential for water reduction is a decrease in landscape irrigation. However, when recycled water is available and is used to irrigate landscape, that minimizes the opportunity to reduce landscape irrigation that would otherwise be using potable water. Recycled water use is a great conservation tool that the State Board recognizes should be promoted and utilized. Therefore, a recycled water credit should be implemented to avoid inadvertently penalizing those water suppliers that have invested significant amounts of money to construct recycled water systems. That credit should be applied by the applicable water supplier to reduce the amount of water that is needed to be conserved to meet the prescribed conservation targets.

3. **Climate Factors.** California's climate varies widely, from the cool coastal areas to the hot dry desert, to areas with mountainous subarctic conditions. Each community in these various climates utilizes water differently based on its respective varied climate. The Emergency Regulation should take into account these distinct climate differences that exist among water suppliers and establish a climate factor in their water reduction calculations.

4. **Size and Type of Property.** Some areas in the state are home to very large real property parcels and low population density. Under the current Emergency Regulation, these areas would unfairly reflect high per capita water use even if drought-tolerant landscaping were utilized, simply because of the large size of the parcels. The State Board should, at a minimum, create an appeal process for water suppliers who have a significant number of customers with large parcels.

5. **Events Affecting Water Use.** Throughout any given year, various events occur that affect water use. For example, if a water treatment plant that is heavily relied upon for water supply is scheduled to be shut down for a period of time for maintenance, local water agencies may need to produce (or purchase) and store more water than normal in the months leading up to the scheduled shut down. This perfectly legitimate and necessary water storage will unfairly reflect high water use in the months leading up to the treatment plant's maintenance. The State Board should provide credits for these events.

6. **Drought-Sustainable Supply Credit.** The current Emergency Regulation focuses on limiting water use. However, the Group suggests that recognition should go to those water suppliers that have experienced an increase in drought-sustainable water supply alongside their conservation efforts. A drought-sustainable supply credit should be recognized by the State Board, focusing on potable reuse, desalination, groundwater banking, and conjunctive use as the primary methods of increasing the drought-sustainable water supply.

- Potable Reuse – Some water suppliers have taken non-potable recycled water and treated it to produce water that is highly purified and drinkable. This promotes self-reliance, which should be recognized and rewarded by the State Board with a credit to be applied towards the water conservation target.

- Desalination – Water suppliers around the state have constructed desalination facilities, making these suppliers more self-reliant. Desalination is the process by which salt and minerals are removed from ocean water, in order to produce water that is fit for drinking. Similar to potable reuse, this promotes self-reliance, which should be recognized and rewarded by the State Board with a credit to be applied towards the water conservation target.

- Groundwater Banking – While many water suppliers continue to meet their conservation targets, the opportunity for groundwater banking with non-potable supplies (such as recycled water or captured stormwater) has increased. Water suppliers that successfully increase their groundwater supply through groundwater banking with such non-potable supplies should be rewarded by the State Board with a credit to be applied towards the water conservation target.

- Conjunctive Use – Many water suppliers across the state utilize conjunctive use, which is the practice in which water is stored during wet periods and then drawn upon during drier years. This practice is similar to groundwater banking discussed above, and thus should be rewarded by the State Board with a credit applied towards the water conservation target.

The credits listed above are not replacements of conservation, but instead are tools that can be used alongside it.

7. **Regional Compliance.** Regional compliance should be recognized by the State Board when water suppliers in a region come together to collectively achieve the conservation targets set. While maintaining the same conservation targets, this proposal also allows for collaboration among agencies in a given region, which the state has been encouraging over the

past decade. Additionally, such regional programs would provide more flexibility in how compliance is achieved and would promote economies of scale in implementing conservation tools.

8. **A Return to the 20 x 2020 Plan.** In 2008, Governor Schwarzenegger put forth what would eventually be known as the 20 x 2020 Plan. This purpose of this plan was to achieve a 20% per capita reduction in urban water use by the year 2020. From 2009 to 2015, water agencies across the state worked diligently to achieve a reduction in urban water use. However, when the Emergency Regulation was first adopted and then subsequently revised in May 2015, the conservation targets were based on water use rates from 2013. Water suppliers were told to make reductions, which did not take into account the reductions already made since 2009 as part of the 20 x 2020 Plan. As a result, the current Emergency Regulation has proven to be too onerous for some water suppliers, which explains why some have been unable to achieve their targets. The Emergency Regulation should take into account water suppliers' prior water conservation achievements with respect to its 20 x 2020 goal.

Thank you for the opportunity to comment on the proposed Emergency Regulation of 2016. The Group's 17 members feel strongly that through careful consideration of the varied circumstances facing California's water agencies, the State Board will be able to craft a regulatory framework in 2016 that is fair and equitable to all Californians. If you have any questions regarding this matter, please contact Dominic Nunneri at 626-793-9400, or by e-mail at dnunneri@lagerlof.com.

Very truly yours,

Dominic J. Nunneri

DJN/cc
cc: Public Water Agencies Group Members (via e-mail)

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