



San Diego East County Economic Development Council

November 24, 2015

Subject: "Comment Letter – Urban Water Conservation Workshop"



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

Dear Ms. Townsend:

Thank you for the opportunity to submit these comments regarding potential changes to the Emergency Regulation for Statewide Urban Water Conservation to the State Water Resources Control Board.

We at the San Diego East County Economic Development Council (East County EDC) appreciate the Board's efforts to achieve increased water conservation during drought conditions through the current Emergency Regulation.

The existing regulation's focus on achieving the state's water reduction standards solely through conservation does not allow regional or local water agencies to realize the benefits of their investments in water supply reliability – investments in self-reliance that are consistent with Governor Brown's Water Action Plan. For example, here in San Diego County, East County EDC and other business organizations have consistently supported our water agencies as they have made billions of dollars in investments to develop a portfolio of sustainable water supplies. This diverse portfolio of water supplies has been specifically designed to make the San Diego region less vulnerable to droughts and devastating water supply cutbacks. However, the current regulations strip away the drought protections these supplies provide by not permitting the region to benefit from these investments. This "one size fits every region" approach threatens to discourage ratepayers from supporting future water supply investments, thereby stunting California's ability to meet the needs of its growing population amid a changing and more challenging climate.

The imposition of demand reduction targets as the state's primary drought response places California at a competitive disadvantage for promoting business attraction and business expansion. Businesses are unlikely to relocate to, or expand their businesses in, California under prolonged water use reduction mandates that ignore the availability of sustainable water supplies to meet our state's economic needs. These businesses and industries need to be convinced that the state is doing everything in its power to develop new and drought-resilient water supplies to serve their

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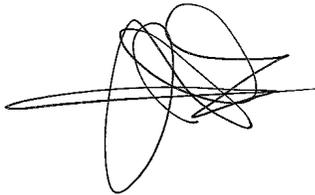
business operations and growth strategies. One action the state can take -- now -- is to amend the regulation to provide credits for new supply development.

The emergency regulation has also contributed to rising water rates for residents and businesses, as local water agencies are forced to meet their revenue requirements on lower sales. Such unintended consequences greatly increases the level of frustration of all ratepayers, They are justifiably upset by the concept of “paying more for using less,” which undermines public support for ongoing conservation and continued investment in sustainable water supplies and infrastructure.

Finally, the regulations are threatening property values by inhibiting efforts to re-landscape dead lawns with water-smart plants that require irrigation to become established even though they reduce overall water use in the long term and provide aesthetic and environmental benefits. Without healthy landscapes, soil erosion and stormwater runoff will increase, wildlife habitat will decrease and the urban heat island effect will intensify. The East County region of San Diego made this commitment decades ago, establishing and supporting the world renowned Water Conservation Garden to demonstrate to residents, businesses, and the community that water wise landscaping can be beautiful, affordable, and protective of our soil, habitat, and environment.

It is critical to maximize the water reliability benefits of drought-resilient and sustainable water supplies, such as the Carlsbad Desalination Project, during drought conditions in order to help support California’s economy and quality of life. That’s why the East County EDC supports modifications to the Emergency Regulation to allow water agencies to meet reduction targets through a combination of conservation and sustainable drinking water supplies, such as desalination, potable reuse and long-term transfers of conserved water. This more balanced, flexible, and – frankly – fair approach to drought management will help save water now given our current supply challenge and better prepare California for future droughts.

Sincerely,

A handwritten signature in black ink, appearing to read "Jo Marie Diamond". The signature is stylized with overlapping loops and a long horizontal stroke extending to the left.

Jo Marie Diamond
President and CEO

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