## **Regional Water Authority**

Building Alliances in Northern California

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The Honorable Felicia Marcus, Chair State Water Resources Control Board 1001 I Street, 24th Floor Sacramento, CA 95814

The Honorable Mark Cowin, Director California Department of Water Resources P.O. Box 942836, Room 1115-1 Sacramento, CA 94236-0001

SUBJECT: Comments on "Making Water Conservation a California Way of Life" November 2016 Public Review Draft

Dear Chair Marcus and Director Cowin:

The Regional Water Authority (RWA) appreciates the opportunity to comment on the "Making Water Conservation a California Way of Life" November 2016 Public Review Draft (Draft). RWA is a Joint Powers Authority that represents 21 water suppliers in the greater Sacramento region. Collectively, these agencies provide reliable water supplies to over two million residents and thousands of businesses.

The Sacramento region is dedicated to preparing for future droughts and continuing water reliability investments through a balanced approach of supply augmentation and demand management. To increase reliability, our region's suppliers have planned and built numerous projects, including system interties, expanded groundwater extraction capacity, and increased surface water diversion and treatment as a part of an integrated conjunctive use program. Our region's customers have decreased total water demand 9% from 2000 to 2013, while population increased 17%, demonstrating a commitment to long-term water efficiency. Additionally customers saved 19% in 2014 under voluntary conservation targets and 30% from June 2015-June 2016 under State mandated conservation targets, demonstrating the ability to aggressively conserve in times of potential shortage. Through ongoing planning, investment, efficiency and conservation efforts, we are good stewards of our water resources and we will continue to be in the future.

With this shared sense of stewardship, we appreciate the EO agencies' continued commitment to implementing Governor Brown's Executive Order B-37-16. We support the following recommendations in the Draft:

- Update Urban Water Management Plans to include a 5-Year Drought Risk
  Assessment, following a similar methodology to the current 3-Year assessment.
- Update Water Shortage Contingency Plans to include an Annual Water Budget Forecast, focusing only on a single current year (not multi-year) analysis.
- Require monthly reporting and transparency of data, dependent on the State clearly identifying existing statutory authority to implement this requirement.
- Develop performance measures for the Commercial, Industrial and Institutional (CII) sector in lieu of an overall CII percent reduction, implemented through a joint committee of water agencies, CII leadership and other interested parties while

incorporating previous work from the CII Task Force Water Use Best Management Practices Report to the Legislature (dated October 21, 2013).

Our main concern with the Draft is that Section 3.1 New Water Use Targets Based on Strengthened Standards (target method) falls short of Executive Order B-37-16's stated intent that, "targets shall be customized to the unique conditions of each water agency." A number of unique conditions are neglected in the Draft as described below, including water rights and the availability and reliability of water; local authority, planning and decision making; cost effectiveness; local need; and quality of life. The Draft should be revised to incorporate consideration of these unique conditions.

- Water rights are not adequately recognized or protected, and local water availability and reliability are not considered in the target method, potentially resulting in "rationing" of water rather than its efficient use, while stranding current investments and stifling similar future investments. The ability for suppliers to bank or transfer conserved water in conjunction with the target method must be assured. The methodology should consider the relative availability of water supply at the local level, in both target setting and compliance timelines. Water supplier revenue is returned to customers through investments in both supply and infrastructure reliability. We applaud the State for contributing to these causes through numerous grant programs for billions of dollars over the last decade via Propositions 50 and 84. Customers have paid for these investments through water rates and State bonds. By not allowing local suppliers to use these investments, we are betraying the trust of customers and those who voted for these propositions in good faith.
- The target method is "one size fits all" and is not fully customized to local conditions. One method with a singular "customizable" component like population in the indoor use calculation does not account for the age of housing stock, use of swamp coolers and other factors. More importantly, the target method completely disregards the difference between consumptive and total indoor use. We estimate that more than 40% of the region's potable use is returned to the Sacramento River watershed for downstream use by others or the environment, substantially decreasing our net or consumptive use. These local conditions are integrated into local planning and decision making efforts (e.g. infrastructure investments) by water suppliers and elected officials. The target method undermines those decisions and discredits the effective leadership and planning that has been successfully demonstrated in the recent drought by a majority of the water suppliers statewide.
- The target method is unnecessarily data intensive and out of portion to the water savings benefits. Success of the target method is critically dependent on the ability to accurately calculate parcel-specific landscape areas statewide. Methods for calculating landscape areas at this scale have broadly documented errors and have been implemented locally by very few urban water suppliers, at great expense and for very specific local purposes. Establishing permanent statewide policy on such limited experience takes a gamble with public resources and potentially puts both state and local staff in an uncomfortable position to defend the investment, especially considering the aggressive timeline for implementation outlined in Section 3.1.3. The State should adjust the timeline to ensure the landscape area methodology has a level of accuracy to facilitate expected levels of water savings. In addition, a simpler alternative approach, like the percent reduction used in the successful implementation of SBX7-7, should be included to achieve the same level of savings through local decision making without the vast resources required with the target method.

- The State provides no clear definition of the purpose of the water savings that would be required under the target method. A need for improvement in long term efficiency by any specific water supplier should be documented in the supplier's urban water management plan as a part of its comprehensive water management strategy. With respect to conservation during drought, the State identifies (Section 3.2.3) the intent to "allow for local control in defining the risk tolerance." The State should base water use standards on a clearly identified need at either the local or statewide level, neither of which are included in the Draft.
- Any future changes to quantitative standards in the target method must be made through legislation to maintain local quality of life values for all of California's communities. Section 3.1.3 states the target method standards will be reevaluated every 5 years starting in 2025 and may be revised "downward." There is a threshold in which water targets go beyond efficiency and eliminating waste and move to redefining customer quality of life values. Movement toward this threshold is outside of this Draft's scope and should be decided through a public and inclusive legislative process.

Executive Order B-37-16 and the California Water Action Plan prioritize "making water conservation a California way of life." However, the Draft focuses implementation and enforcement solely on water suppliers and is not inclusive of all of California's water users and associated entities. For example, the target method would task water suppliers with requirements for actions that are outside their authority, such as controlling landscaping choices of California citizens. For success, we need a shared responsibility among water suppliers, the State, and all water use sectors, which starts with identifying authority and targeting the appropriate entities to get the job done. In addition, extensive outreach efforts will be needed to educate the public on how to become more water efficient. The Draft states (Section 3.1.3) that "the EO agencies will actively communicate the need for water use targets and their implementation through public outreach and engagement, sharing the responsibility for public education with water suppliers." As a first step, the State should robustly fund Save Our Water (SOW) and continue to promote it as the "go to" customer resource for statewide efficiency information. The historical SOW budget (\$1-\$4 million annually) is grossly insufficient for a State of 39 million people.

The comments above build on those provided by RWA and a number of signatories throughout the State on multiple occasions, which we fully support. RWA is also a signatory to a comment letter signed by over 100 water suppliers and partners from around the State that provides additional feedback on components of the Draft and identifies areas of shared concern.

Executive Order B-37-16 states "strengthening local and regional drought planning are critical to California's resilience to drought and climate change." We couldn't agree more. Water agencies need the flexibility to plan and make investments in infrastructure and efficiency programs that take locality into account not an unproven methodology that could inhibit local solutions.

Respectfully,

John Woodling

**Executive Director**