



## AB 968 & AB 1654: Improving Drought Preparedness and Increasing Water Use Efficiency



Irvine Ranch  
WATER DISTRICT

**RWA**  
Regional Water Authority  
BUILDING ALLIANCES IN NORTHERN CALIFORNIA

# HOW

AB 968 and AB 1654 enhance urban drought planning and water use efficiency while protecting local water supply investments, water rights and California's economy

Local water suppliers throughout the state support many of the goals and recommendations set forth in the Administration's "Making Water Conservation a California Way of Life" framework, such as the need for improved drought contingency planning, continued water waste prohibitions and an increased emphasis on enhancing long-term water use efficiency.

During a three-month process, the water community developed AB 968 and AB 1654 to implement the vision of the Administration's framework to make water use efficiency a way of life. The bills propose a comprehensive, consensus-based approach that ensures that urban water suppliers improve water efficiency over the long-term, while simultaneously being prepared to balance available supplies to meet demands during times of shortage.

### SPECIFICALLY, THE TWO-BILL PACKAGE WOULD:

- Preserve the state Legislature's oversight and control over long-term water use target setting.
- Build on past success by maintaining options to set efficiency targets instead of a one-size-fits-all approach for water use reduction.
- Enhance requirements for local planning and response to drought.
- Require annual reporting so the State's response to future droughts can be targeted at the specific areas requiring assistance.
- Encourage further capital investments at the local level to increase supplies, efficiency, and resiliency to drought, including promoting recycled water, stormwater capture, desalination and conjunctive use.

### ALTERNATIVES TO AB 968 AND AB 1654 TAKE A DIFFERENT APPROACH

Other bills related to the Administration's framework take a different approach to urban water use efficiency and drought planning. The water community has not supported these other proposals because they do not recognize California's diversity, promote investments in comprehensive water resource management or appropriately balance California's competing policy goals. Instead, the other proposals would:

- Give the State Water Resources Control Board new authority to unilaterally set urban water use targets without any legislative oversight.
- Ignore the need for the state to implement a diverse, comprehensive portfolio of investments to improve water security and reliability, as called for in the Governor's Water Action Plan.

Water suppliers favor the more balanced approach of AB 968 and AB 1654. When combined with investments in resilient water supplies, these bills strengthen urban water shortage planning and water efficiency, as well as protect California's economy, environment, and quality of life.

AB 968 and AB 1654 are designed to achieve the objectives of strengthened drought preparedness and improved water use efficiency while minimizing negative impacts. The bills seek to preserve local economies, business development opportunities and the quality of life enjoyed by residents in our diverse communities.



### PROTECTIVE OF LOCAL INVESTMENTS

Many urban water suppliers have invested substantial resources into developing reliable water supply sources that are available under a wide range of conditions. AB 968 and AB 1654 protect existing and future investments of water suppliers and their customers in these supplies by ensuring that suppliers can use those available sources when needed to meet customer demand.



### PRESERVES COMMUNITY CHOICE

Unlike other proposals, AB 968 and AB 1654 guarantee community choice by providing three options for water suppliers to set their 2025 water efficiency targets. Urban water suppliers maintain discretion as to how to meet their 2025 water efficiency targets. The bills also provide that each water supplier has the discretion to design and utilize its preferred rate structure.



### ENGAGES BUSINESS

Unlike other proposals, AB 968 and AB 1654 call for engagement of commercial, institutional and industrial water users in a stakeholder process to develop business-specific water efficiency performance measures. This will ensure appropriate measures are taken to ensure efficient water use by business while maintaining California's competitiveness.



### RECOGNIZES LOCAL CONDITIONS

The water conservation mandates during the drought emergency inadvertently resulted in impacts to local communities because the State did not have the data to differentiate between agencies that were well prepared as a result of significant planning, preparation, and investment, and other agencies where a more active response was needed. AB 968 and AB 1654 will require urban water suppliers to report annually on the status of their water supplies for the next twelve months. Reporting this information each year will allow the State to better identify water suppliers that are experiencing actual water shortages, as well as understand which agencies are well-prepared to deal with drought conditions.

The Governor's California Water Action Plan acknowledges there is no "silver bullet" when it comes to managing California's water resources. Conserving water alone cannot provide for future economic and population growth, respond to climate change, or protect the environment. In addition to using water more efficiently, a diverse portfolio approach is required, which includes investments in water storage, recycling, desalination and conjunctive use.

AB 968 and AB 1654 are built on and strengthen the foundation created by SB X7-7 and the State's Urban Water Management Planning Act, which have been proven to be successful during many years of implementation, and promote a balanced approach to water management consistent with the California Water Action Plan.