

April 22, 2019



Paul Schubert, Chair
Kerry Schmitz, Vice
Chair

The Honorable Laura Friedman
State Capitol, Room 2137
Sacramento, CA 95814

Re: AB 60 Water conservation: water meters: accuracy standards.

Members

California American Water
Carmichael Water District
Citrus Heights Water District
Del Paso Manor Water
District
El Dorado Irrigation District
Elk Grove Water District
Fair Oaks Water District
Folsom, City of
Golden State Water
Company
Lincoln, City of
Orange Vale Water Company
Placer County Water Agency
Rancho Murieta Community
Services District
Roseville, City of
Rio Linda / Elverta
Community Water District
Sacramento, City of
Sacramento County Water
Agency
Sacramento Suburban Water
District
San Juan Water District
West Sacramento, City of
Yuba City, City of

Associates

County of Placer
El Dorado County Water
Agency
Sacramento Area Flood
Control Agency
Sacramento Municipal Utility
District
Sacramento Regional County
Sanitation District

Position: Support if Amended

Dear Assemblymember Friedman:

On behalf of the Regional Water Authority (“RWA”), I am writing to express RWA’s position of “Support if Amended” on AB 60, as amended on February 25, 2019, your measure related to water meter accuracy standards. RWA is a joint powers agency representing 21 water suppliers in Sacramento, Placer, El Dorado, Yolo, and Sutter counties.

RWA appreciates your efforts to ensure water meter accuracy. Presently, 94 percent of RWA member’s water accounts are metered. Over the last decade most of those installations have been Automatic Meter Reading (AMR) meters. As the American Water Works Association (AWWA) manual states, “accurate water measurement is the means by which water utilities produce revenue to cover expenses, charge each customer equitably, prevent waste of water, and minimize the load on wastewater facilities.” Given the inherent benefits of accurate water meters, RWA shares a desire for water meter accuracy. Stated plainly, we need accurate water meters to provide our service and have no desire to purchase and install a faulty or inaccurate product.

While RWA wholeheartedly supports the intent of AB 60, we respectfully request two amendments that would avoid unintended consequences while implementing the law.

1. Account for Water Suppliers’ Existing Contracts and Agreements to

Procure Water Meters: Many water suppliers enter into water meter purchase contracts or other agreements to secure favorable prices and other terms. These agreements help control costs for water suppliers and their customers. The current language in AB 60 would prohibit a long-term contract established after January 1, 2020 from purchasing a noncompliant meter. The challenge is what is noncompliant will not be known until regulations are adopted, which is not required until January 1, 2022. This window of uncertainty on what is a compliant meter will essentially prohibit a water supplier from engaging in a long term contract in that period. This will at best add unnecessary costs and at worst interrupt supplies needed to meet the statutory deadline of metering all service connections by January 1, 2025.

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RWA understands there is a belief that the January 1, 2020 prohibition on long-term contracts for noncompliant meters is necessary to preserve the intent of the bill. To balance the intent of the bill with the need to install meters by January 1, 2025, we suggest that long-term contracts be allowed until regulations are adopted while also prohibiting any long-term contracts from running beyond the meter installation deadline of December 31, 2024. This would clearly require all replacement meters to be subject to the AB 60 regulations and allow for agencies to seamlessly incorporate any new requirements. It also provides a path forward for manufacturers to design and build more accurate meters based on the new standards.

An amendment to section 25401.8 (a)(2)(A) of the bill with strikethrough and italics below would address both contract uncertainty and any ability to engage in a protracted contract that would allow for the installation of a deficient meter.
If a water purveyor, ~~before January 1, 2020~~ *before December 31, 2021 or upon adoption of the regulations*, has entered into a contract to purchase a noncompliant water meter, fulfillment of that contract, and installation of that water meter, on or after the effective date of the regulations, regardless of the date of manufacture. *Under no circumstances shall the purchase of a noncompliant water meter be permitted beyond December 31, 2024.*

- 2. Ensure that Meter Accuracy Standards are Consistent with Industry Standards:** In order to ensure water suppliers are able to select meters that best meet their needs, AB 60 should require the Commission's regulations to be based on established industry standards for meter fabrication, selection, and installation. These industry standards are captured in the AWWA Manual M6. The manual has been updated six times since it was first published in 1959 with the most recent addendum update in the fall of 2018. Any accuracy requirement above the industry standard will increase water agency costs, and may force agencies into a meter technology that is yet to be proven.

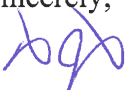
In recognition of this reality RWA requests that section 25401.8.(b)(4) be amended to read: "The commission shall base regulations on the most recent edition of the recommendations adopted by the American Water Works Association Water Meters—Selection, Installation, Testing and Maintenance, Manual M6."

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With these amendments, RWA would move to a full support position on AB 60. We appreciate your office's willingness to consider these amendments and we look forward to an opportunity to work with you and your staff to address these issues.

If you or your staff have any questions, please contact Ryan Ojakian of RWA's staff at (916) 967-7692 or rojakian@rwah2o.org.

Sincerely,



Rob Swartz
Interim Executive Director

cc: The Honorable Lorena Gonzalez, Chair, Assembly Appropriations Committee
Honorable Members, Assembly Appropriations Committee
Ms. Jennifer Galehouse, Deputy Chief Consultant, Assembly Appropriations Committee
Mr. Jim Metropulos, Legislative Director, Assemblymember Laura Friedman's Office
Ms. Catherine Freeman, Chief Consultant, Assembly Water, Parks and Wildlife Committee
Mr. Calvin Rusch, Consultant, Assembly Republican Caucus