



March 12, 2015

The Honorable Felicia Marcus
c/o Jeanine Townsend, Clerk to the Board
State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, CA 95814



Subject: Comment Letter – Proposed Drought Regulation Modifications

Dear Chair Marcus:

Moulton Niguel Water District (MNWD) appreciates the opportunity to provide comment to the proposed modifications to the regulations put forth by the State Water Resources Control Board (SWRCB). The Emergency Water Conservation Regulation mandated by the SWRCB has elevated public awareness and increased conservation efforts by water agencies throughout the State. Your approval of MNWD's Alternate Plan for Demand Reductions (Plan) has been integral in expanding our conservation efforts and promoting the value of sustained approaches to water use efficiency through our Water Budget Based Rate Structure. We are on the path outlined per the Plan as a number of policies have been implemented to integrate demand side management into the entire organization as a critical component to maximize the efficiency of every drop of water possible.

On February 11, 2015, the MNWD Board of Directors adopted new rates and charges including reductions of the plant factor for calculating outdoor water budgets and decreases to the gallons per capita per day allocated for indoor usage. On February 19, 2015, the Board of Directors adopted revisions to our Water Shortage Contingency Plan by integrating it into the Water Budget Based Rate Structure to penalize those customers with the most wasteful uses first during drought situations. MNWD included the Water Shortage Contingency Plan into its Notice of Public Hearing to allow for more flexibility in implementing policy solutions to drought conditions. The end result is a tool to let customers choose how to use their water within a budget allocation and the promotion of a collaborative community effort to increase water use efficiency while avoiding more antagonistic approaches such as policing end use and other prescriptive policy instruments to meet supply constraints.

The District supports the continued acknowledgment of allocation-based tiered rate structures as an alternative means by which to increase water savings as outlined in the proposed regulations dated March 6, and supports the proposed changes to Section 865(b) that further clarify the role of approved alternative plans. Thank you again for the opportunity to provide comments for the proposed regulation modifications to meet the current and future water supply challenges of the State. If you have any questions, please do not hesitate to contact me at (949) 448-4071 or jlopez@mnwd.com.

Sincerely,

A handwritten signature in blue ink that reads "Joone Lopez".

Joone Lopez
General Manager