

January 28, 2016

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

Re: Draft Extended Emergency Regulation for Urban Water Conservation

Dear Chair Marcus and Members of the Board:

The City of Sacramento Department of Utilities (Sacramento), appreciates the opportunity to comment on the State Water Resources Control Board (State Board)'s draft Extended Emergency Regulation for Urban Water Conservation (Extended Emergency Regulation). Sacramento provides a potable water supply that serves more than 136,000 customer accounts and over 480,000 residents. Sacramento is dedicated to the investment, development, and implementation of water conservation and water use efficiency activities to help the state meet its water management goals.

Sacramento appreciates the considerable efforts of the State Board staff and Board members to engage with stakeholders on this critical issue. Since the implementation of the first emergency regulation nearly eighteen months ago, staff and Board members have engaged in significant outreach from the water community, which we believe is partially reflected in the draft Extended Emergency Regulation.

Sacramento has achieved a conservation rate of 28 percent for calendar year 2015, but not without considerable impact on our customers and urban forests. We appreciate the Board including several provisions that have been widely supported by the water community throughout this process that address inequity of the original emergency conservation regulations. However, we feel the proposed regulations continue to place a greater burden on inland areas and we offer the following recommendations for modifying the proposed Extended Emergency Regulation prior to adoption:

 Raise the cap on the climate adjustment to 8%. Other adjustments were expanded to allow for an 8% decrease in a supplier's conservation target, either individually or in total. Similar treatment should be afforded to those suppliers whose water demand is driven by a hot, dry summer climate. The proposed tiers should be adjusted as follows to account for an 8% cap.

City of Sacramento Department of Utilities 916-808-1400 1395 35th Avenue Sacramento, CA 95822





>20% Deviation from State ET	8% Reduction
>15% Deviation from State ET	6% Reduction
>10% Deviation from State ET	4% Reduction
>5% Deviation from State ET	2% Reduction

- Fully recognize water suppliers' investments in drought resilient supplies. By only recognizing local drought resilient investments developed after 2013, the Emergency Regulation completely discounts the value of long term planning and implementation, and the billions of dollars water suppliers have already invested to be prepared for the current drought.
- Expand the definition of local drought resilient supplies that are eligible for an adjustment to the conservation targets. Sustainable groundwater supplies, recycled water used for non-potable purposes, and other strategies have served to mitigate some of the effects of drought throughout the state and will be important for the future. Although the State Water Board staff did not include consideration of these additional local drought resilient supplies in the proposed Emergency Regulation, we urge the State Water Board to continue to consider how these might be included. Support for investment in reliable water supplies is critical to implementation of the State's Water Action Plan.

Sacramento appreciates the recognition by the State Board that water supply conditions will not be fully revealed until April 2016. We applaud the inclusion of specific language in the draft resolution directing Staff to monitor and evaluate available water supply condition data and to bring to the State Board a proposal for rescission or adjustment of the Extended Emergency Regulation in May 2016. This is a prudent action to be taken, just as the State Board strengthened the restrictions as the drought worsened, protocols should be in place for reducing the restrictions and conservation standards as water conditions become more favorable.

Thank you for considering Sacramento's comments and for us throughout the development of the existing regulation and the draft extension of the emergency rule. If you have any questions, please contact Jim Peifer at (916) 808-1416.

Sincerely,

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Jim Peifer Policy and Legislative Manager

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