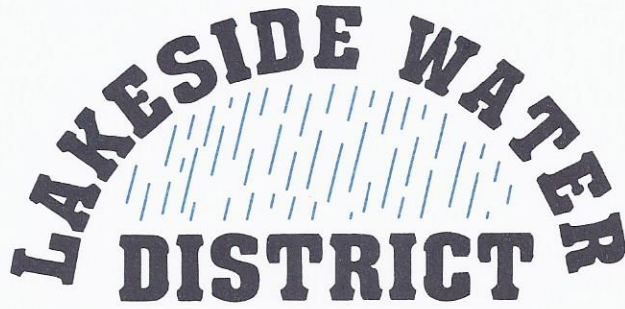


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January 5, 2016

Ms. Felicia Marcus, Chair  
Honorable Members of the State Water Resources Control Board  
State Water Resources Control Board  
1001 "I" Street, 24<sup>th</sup> Floor  
Sacramento, CA 95814

Via E-mail to Kathy Frevert, SWRCB

**Subject: Comments for the Proposed Regulatory Framework for Emergency Reg.**

Dear Ms. Marcus and Honorable Members of the State Water Resources Control Board;

In behalf of the Lakeside Water District located in East San Diego County, and our Board of Directors, I want to thank you for the opportunity to submit these comments regarding potential changes to the Emergency Regulation for Statewide Urban Water Conservation by the State Water Resources Control Board. First and foremost, I appreciate the Board's task and efforts to achieve increased water conservation during our State's unprecedented drought conditions through the current Emergency Regulation.

The current regulation's focus on achieving the state's water reduction standards solely through conservation though does not allow regional or local water agencies to realize the benefits of their investments in water supply reliability and self-reliance that are consistent with Governor Brown's Water Action Plan. For example, here at Lakeside Water District we have developed our own groundwater pumping and treatment facilities at a cost of over \$1,000,000, and have supported our wholesale water agency the San Diego County Water Authority, and our fellow member agencies to invest billions of dollars in developing a portfolio of sustainable water supplies specifically designed to make our region less vulnerable to droughts and devastating water supply cutbacks.

However, the one size fits all compromise does not work for San Diego County and the customers of our District, because it does not recognize the multiple areas of supply reliability in our County. We have invested in significant supply reliability projects well before 2013 that are currently supplying water into the county, including the just activated Carlsbad Desalination Plant. Current regulations strip away the drought protections these supplies provide by not allowing the region to benefit from these investments. This approach threatens to discourage ratepayers from supporting future water supply investments. Following is an itemized list of proposed modifications that should be reflected at the least here in San Diego County.

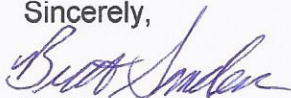
1. The proposed Framework begins to address the inequities of the current one-size-fits-all regulatory policy, but it does not go far enough to recognize supply reliability differences throughout the State.
2. The four percentage point conservation reduction contained in the proposed Supply Credit is helpful, but does not appropriately acknowledge the investment in drought resilient supplies that regions have made; nor does it reflect the importance and full value of these supplies to the San Diego and California's economy.
3. The proposed Supply Credit excludes drought-resilient sources of supply such as desalinated brackish groundwater and conserved water from long-term transfers; these supplies should be included.
4. To equitably reflect the investments communities have made in drought-resilient supplies, the Emergency Regulation should provide credit for supplies developed prior to 2013. Pre-2013 supplies have better prepared California for this drought and future droughts by helping to reduce, forestall, or in some cases eliminate shortage impacts. In addition, these early investments in supplies are consistent with the Governor's Water Action Plan.
5. The conservation reduction level should be directly linked to urban water suppliers' drought resilient supply investments. For example, the urban water suppliers in San Diego County should receive a benefit commensurate with the Carlsbad Desalination Project supplying up to 10% of the total potable water demand for the San Diego region. If a climate adjustment is applicable to an agency then it should be utilized.
6. Imposing an overall reduction cap on credits and adjustments would negate the ability to fully utilize those credits and adjustments that are intended to recognize supply conditions, local characteristics, and investments in drought resilient supplies that are unique to each community.
7. Finally, the Proposed Regulatory Framework does not address the uncertainties regarding this year's water supply situation and the potential for significant improvements due to El Niño conditions. Language should be included in the regulation to require the State Water Board to revisit the regulation no later than April 2016 to ensure there is a nexus between the required reduction mandate and supply conditions both statewide and regionally.

Any "Extended Regulation" must recognize and consider drought-sustainable supplies developed at the local and regional level with adjustments made accordingly as proposed by the San Diego Water Authority and other regional agencies including Lakeside Water District.

This is a more balanced, comprehensive and flexible approach to drought management and will help save water now given our current supply challenge and better prepare California for systematic response in future droughts.

Thank you very much for your time and the Board's consideration.

Sincerely,



Brett Sanders  
General Manager