



April 22, 2015

Ms. Jessica Bean
State Water Resources Control Board
1001 I Street
Sacramento, CA 95814
Via Email; Jessica.Bean@waterboards.ca.gov

Re: Mandatory Conservation Executive Order B-29-15; Comments on Proposed Regulatory Framework

Dear Ms. Bean:

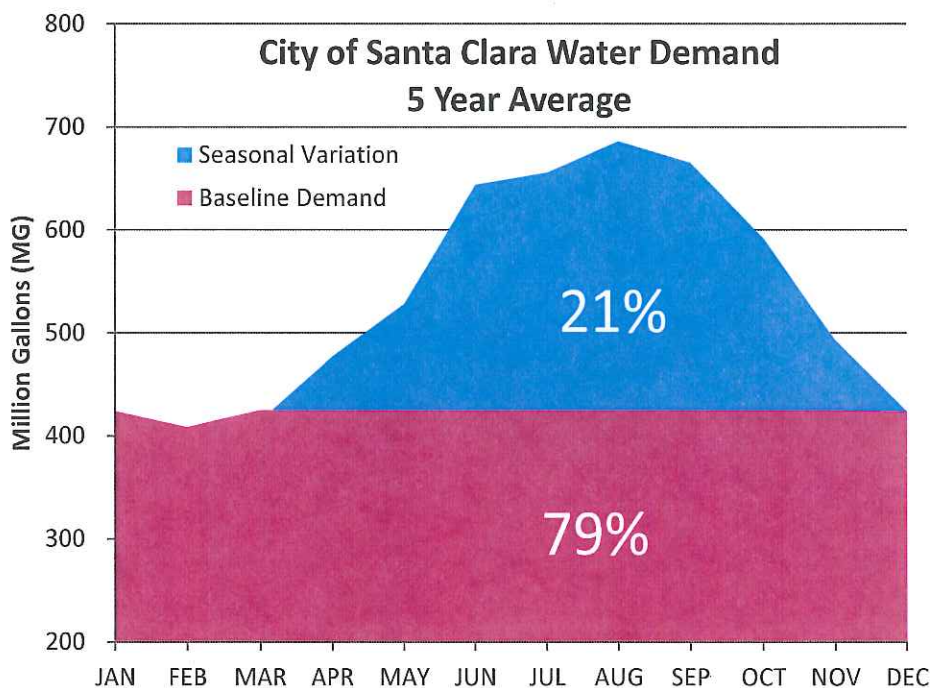
The City of Santa Clara appreciates the opportunity to provide comment on the proposed regulatory framework.

The City of Santa Clara operates a municipal water utility in the heart of the Silicon Valley serving 120,245 residents and approximately 3,000 commercial, industrial and institutional (CII) accounts, including many recognizable high tech companies like Intel, Applied Materials, and Siliconix. The City is also home to the only LEED Gold certified stadium, Levi's Stadium. In addition, the City of Santa Clara also has an extensive and award winning recycled water program. In addition last year, WaterReuse California named the City of Santa Clara Agency of the Year as a result of our recycled water program.

The City has reviewed the proposed draft regulations and has concerns regarding the impact to the City of Santa Clara, a significant urban based community. By setting the overall percentage reduction goal based on residential per capita water use, the State's proposed emergency regulations would pose a hardship for water utilities with a high percentage of water sales to CII customers. For example, in 2013 44.4% of Santa Clara's water sales were attributed directly to CII customers. Under the proposed regulation, the City of Santa Clara would be required to achieve a 16% water use reduction. Due to demand hardening inherent within the CII sectors, the bulk of the reduction would have to come from the residential sector, in essence resulting a 28.8% necessary from the residential sector to accomplish a 16% overall water reduction. The current structure essentially penalizing water utilities with a high percentage of CII water use.

Santa Clara analyzed potential water savings from a complete ban of all outdoor irrigation with potable water. By removing seasonal variation from the City's total water demand over a five year average (2010-2014), the City was able to estimate its potential water use reductions if all outdoor irrigation use were to cease. This reduction, if actualized would

only achieve a total of 21% reduction. Although the proposed regulations do not require a complete ban on outside irrigation uses, the City recognizes the difficulty it will face in achieving a major reduction due to its significant CII customer base and the high percentage of landscaping that has been converted to irrigation with recycled water. As shown below, 79% of the City's water demand occurs at baseline levels which the water industry treats as indoor or process water use. The remaining 21%, which varies throughout the year, is typically understood by the water industry to serve outdoor irrigation purposes. Therefore, complying with the propose regulation would not only require the City to curtail all outside irrigation but also to curtail a portion of indoor water use.



FIVE YEAR AVERAGE WATER USE: The illustration above depicts the seasonal variation of water use over the five year average. The red shaded area indicates the City's baseline potable water demand at 79%, and the blue shaded area accounts for the seasonal increase in water demand due all irrigation potable water use at 21%.

As mentioned earlier, the City has an extensive award winning recycled water system that accounts for 16% of the water sold in the City annually. Over the past 25 years, the City has dedicated extensive resources and investment to expand the recycled water distribution system. This long term investment and effort helps to and continues to permanently offset the potable water use within the City.

The recycled water program coupled with the City's large CII customer base has led to water demand hardening. In order to recognize and offer relief from this type of demand hardening the City would propose adding a new section 865(c)(3) as follows, and renumber the subsequent subdivisions:

(3) Each urban water supplier that can demonstrate that less than 25% of its total water deliveries on an annual basis during 2014 were used for outdoor landscaping may, notwithstanding its average July-September 2014 R-GPCD, submit for Executive Director approval a request to reduce its total water usage by 4% for each month as compared to the amount used in the same month in 2013. Any such request shall be accompanied by information showing that the supplier's deliveries of potable water for outdoor landscaping were less than 25% of its total use of water during 2014.

This proposed language both recognizes the challenges posed by demand hardening and creates a long term incentive for water providers to implement recycled water, or equivalent conservation measures, to achieve greater reductions in landscape irrigation.

We would like to thank the Board for the opportunity to comment on the regulations and for considering our proposed language.

Sincerely,



Christopher L. de Groot
Director of Water and Sewer Utilities

cc: Julio Fuentes, City Manager
Richard Nosky, City Attorney
David Aladjem, Downey Brand