



April 22, 2015

Jessica Bean
STATE WATER RESOURCES CONTROL BOARD
Post Office Box 100
Sacramento, CA 95812-0100

Sent via Email to: Jessica.Bean@waterboards.ca.gov

**SUBJECT: CONCERNS WITH PROPOSED REGULATORY
FRAMEWORK FOR MANDATORY CONSERVATION
(AS RELEASED APRIL 18, 2015)**

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Dear Ms. Bean:

Rancho California Water District (RCWD/District) appreciates the opportunity to provide input to the State Water Resources Control Board (State Board) on the Draft Regulations Implementing 25% Conservation Standard. RCWD support the Governor's leadership in calling for additional reductions in urban water use and understand the importance of achieving a 25% reduction in potable urban water use at this time. RCWD is committed to helping the state obtain the necessary reductions.

The District appreciates the modifications made to the April 18 proposed framework to address some of the public comments and concerns received by the State Board. However, the April 18 proposed draft regulations still continue to apply a simple method to apportion urban water supplier reductions which results in several inequity and implementation concerns.

Measurement and analysis of reasonable and efficient water use is complex. Evaluation based on average monthly R-GPCD used in three of the driest months of the year does not tell the whole story with regards to water use and whether an area's water use is efficient and reasonable. We understand the attractiveness of a model based on a three month R-GPCD average; however, by not taking into account additional factors the draft regulations results in an inequitable apportionment of water use reductions for many agencies and cities.

RCWD has taken many steps over multiple years to encourage water use efficiency and the wise use of water including the implementation of innovative conservation measures and recycled water development. Our past efforts have allowed us to achieve dramatic reductions in water usage; however, they have also resulted in significant demand hardening, which makes achieving substantial new reductions in water savings during the current drought more challenging. Despite this challenge, we are committed to continuing to seek greater water efficiency and conservation within our service areas during this drought and well into the future.

RCWD provides the following comments for your consideration that are intended to improve upon the path the State Board is on:

1. **Use long-term average GPCD to apportion reductions:** Focusing on peak water use months inequitably penalizes agencies in drier and hotter areas of the state. It also does not account for opportunities to improve indoor efficiencies, as it does not capture those inefficiencies which show up only in R-GPCD calculations for cooler months. Due to high variability in month-over-month water demands across the state, the State Board should use a nine-month average of R-GPCD and State submitted GPCD data from 20x2020 reporting to the Department of Water Resources.
2. **Continue to recognize the effectiveness and impact of Allocation-based tiered rate structures:** As previously communicated, allocation based tiered rates send a strong price signal encouraging customers to efficiently use water. To develop allocation based tiered rates, a significant amount of data is collected to set individualized budgets. This data includes persons per household and information about irrigated landscape area that can be used to set efficiency targets. We encourage the State Board to use a performance-based efficiency standard, which is estimated at 15%, for calculating the targets for agencies with allocation-based rate structures or those that transition to them during the reporting period.
3. **Use the proposed alternative method for water reduction proposed by a coalition of agencies in the Inland Empire and Orange County:** The apportionment model achieves the 25% reduction in an equitable manner while encouraging long-term water conservation

No one is more committed to water reliability, safety and affordability than water agencies and water professionals. RCWD has been proactive in implementing demand management programs to exceed the SBx7-7 requirements. The State Board must recognize the great work that has been done to reduce demands prior to the Governor's declaration. RCWD respectfully urges strong consideration of our suggestions as we work together to address the challenges we face as a state.

Thank you for your time and consideration,

RANCHO CALIFORNIA WATER DISTRICT



Jeff D. Armstrong
Interim General Manager

