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(2/2/16) Board Meeting- Item 7 Conservation Extended Emergency Reg Deadline: 1/28/16 by 12:00 noon



Spencer Short, Chair Jim Peifer, Vice Chair

Members

California American Water Carmichael Water District Citrus Heights Water District Del Paso Manor Water District El Dorado Irrigation District Elk Grove Water District Fair Oaks Water District Folsom, City of Golden State Water Company Lincoln, City of Orange Vale Water Company Placer County Water Agency Rancho Murieta Community Services District Roseville, City of Rio Linda / Elverta Community Water District Sacramento, City of Sacramento County Water Agency Sacramento Suburban Water District San Juan Water District

West Sacramento, City of

Woodland-Davis Clean Water Agency

Yuba City, City of

Associates

El Dorado County Water Agency

Sacramento Municipal Utility District

Sacramento Regional County Sanitation District

Sacramento Area Flood Control Agency January 27, 2016

Felicia Marcus, Chair State Water Resources Control Board 1001 I Street Sacramento, CA 95814

Transmitted by email to commentletters@waterboards.ca.gov.

Dear Chair Marcus and Board Members D'Adamo, Doduc, Moore and Spivey-Weber:

Thank you for the opportunity to comment on the proposed Emergency Regulation for February through October 2016. We appreciate the State Water Resources Control Board (State Water Board)'s efforts to increase the equity of the current Emergency Regulation by providing various adjustments to the conservation targets. The addition of the climate adjustment to account for varying climate zones throughout the state shows a direct response to our region's request for assistance to help protect our valued urban forests from more permanent damage. Trees provide a plethora of benefits for our communities including contributing to energy savings, stormwater capture, dust control, wildlife habitat and improved air quality through carbon sequestration.

In calendar year 2015, the Sacramento region reduced water use by 30% or 50 billion gallons compared to 2013. As of December 2015, several suppliers in the region have already exceeded their conservation targets for the current Emergency Regulation. However, this level of savings did not come without a cost. From January to September 2015, the region experienced a \$25 million decrease in revenues in addition to doubling conservation program costs compared to 2013. This story is not unique to the Sacramento region. It was experienced throughout the state and was documented by the Association of California Water Agencies (ACWA)'s November 2015 member survey. Our local communities, residents and businesses have significant additional costs of replacing landscapes and removing dead and dying trees.

We acknowledge the State Water Board's intent to respond to this drought emergency with a modified Emergency Regulation due to the uncertainty of 2016 water supply conditions. However, we urge the State Water Board to go further in providing equitable adjustments, to continue to consider additional factors that were not incorporated into the proposed Emergency Regulation, and to clarify the hydrologic conditions under which the Emergency Regulation may be relaxed in the future. The actions the State Water Board takes now and later this year will have



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significant implications for local suppliers' credibility and level of trust with their customers, which will be important to achieving longer term water efficiency improvements and responding to future droughts. The State Water Board's actions should more fully recognize water suppliers' investments in drought resilient supplies, or risk disincentivizing long term planning and preparation for future droughts.

Consistent with these important considerations, we offer the following recommendations for modifying the proposed 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.

>20% Deviation from State	8% Reduction	
ET		
>15% Deviation from State	6% Reduction	
ET		
>10% Deviation from State	4% Reduction	
ET		
>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.
- Provide clear criteria for how hydrologic and water supply information will be used to consider modifying the Emergency Regulation as 2016 proceeds. Water suppliers need more certainty to adequately plan for water supplies, conservation programs, and revenues throughout 2016.

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• Consider mechanisms by which the Emergency Regulation may be modified to recognize significant regional water supply differences that may develop in the "statewide" drought in 2016. Relaxing conservation targets in areas of the state where water supply conditions have significantly improved from 2015 is an appropriate approach to managing the ongoing drought. The large majority of suppliers have already proven they can achieve water savings when needed, largely through customer actions. Prolonging the Emergency Regulation without demonstrated need violates customers' trust and risks customer compliance with future drought regulations.

Thank you for the opportunity to provide our comments. We look forward to continuing this important and timely discussion.

Sincerely ohn Woodlin Executive Directo **Regional Water Authority**