May 16, 2016

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The Honorable Felicia Marcus, Chair and Members of the State Water Resources Control Board c/o Jeanine Townsend Clerk to the Board State Water Resources Control Board 1001 I Street, 24th Floor Sacramento, CA 95814



Subject: Comment Letter - May 18, 2016 BOARD MEETING (Conservation Extended Emergency

Regulation)

Dear Chair Marcus and Members of the Board:

The California Urban Water Agencies (CUWA) appreciates the opportunity to provide input on potential revisions to the February 2016 Emergency Regulation. We also appreciate the State Water Board's recognition of evolving supply conditions across the state that warrant an update to the Emergency Regulation and the proposal to adopt a supply-based self-certification approach, as recommended by a number of water agencies.

In response to the proposed text of the Emergency Regulation (dated May 9, 2016), we offer the following recommendations.

Allow Wholesalers the Option to Evaluate Supply-Based Conservation Needs as an Aggregate. Wholesale water agencies' focus is on the sufficiency of regional supplies to meet regional demand. Wholesalers are generally not in a position to accurately project potable water sales for each individual urban water supplier they serve, for a variety of reasons. Some wholesalers do not have contracts with individual retailers for future water sales, and water deliveries vary from year to year depending on a number of site-specific factors. So, developing supply projections for each retail agency served by wholesalers is significantly more time and labor intensive than simply referring to past water deliveries.

As an alternative, we suggest that the State Water Board allow wholesalers the option to evaluate whether their supplies are sufficient to meet <u>aggregate</u> demands from the urban water suppliers they serve. Wholesale suppliers would provide their assumptions, calculations, and underlying analysis for regional demands and available supplies, as proposed in the updated Emergency Regulation for use by the retail water agencies in their self-certification reports. Since the regional demand levels have already been specified as the average annual total potable water production for the years 2013 and 2014, it is not necessary to disaggregate past deliveries to each urban water supplier. We ask that the State Water Board allow wholesalers to report available supplies either in aggregate or by individual retail customer.

Incorporate 2015 Demands in the Self-Certification Projection. The selection of 2013-2014 as a basis for demands, while understandably conservative, does not represent experience during a post-drought rebound that is slow and can take multiple years to recover. Furthermore, based on past trends, demands typically do not recover to the full pre-drought levels. In addition, 2015 demands provide a more realistic estimate of the demands that can be expected should we have three more years of drought as assumed in the self-certification process. CUWA suggests the State Water Board incorporate a three-year average production from 2013-2015, which would be more representative of future demands.

Acknowledge 20x2020 as a Conservation Floor. Water suppliers have been implementing water conservation measures for years, with SBx7-7 (20x2020) as a minimum conservation level. If supplies are sufficient to meet demands for the next three years as demonstrated by the supply-based self-certification, a supplemental conservation floor (e.g., a minimum water use reduction level beyond 20x2020) is unnecessary. In addition, the proposed approach, focusing on a third consecutive dry year, is already sufficiently conservative to ensure continued vigilance regarding water use efficiency.

Continue Hospitality Industry Water Use Prohibitions. To support implementation of the California Water Action Plan and Make Conservation a California Way of Life, CUWA recommends that the State Water Board continue to require hospitality industry water use prohibitions. This action builds on existing efforts and sends a consistent, effective message to California residents and visitors that water is a precious, limited resource and should not be wasted.

We hope our comments are helpful. In the meantime, we continue to take action on many levels to sustainably manage California's water supplies. Please contact Jenny Gain at 925.210.2225 with any questions, for further detail related to our comments, or additional assistance from CUWA in any way.

Sincerely,

Cindy Paulson, Ph.D.

CUWA Executive Director

Jenny Gain, PE, QSD CUWA Staff Engineer