

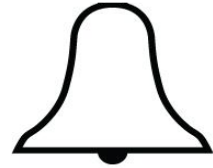
BOARD OF DIRECTORS

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(5/18/16) Board Meeting- Item 10  
Conservation Extended Emergency Reg  
Deadline: 5/16/16 by 12:00 noon



## Santa Margarita Water District

May 13, 2016

Honorable Felicia Marcus, Chair  
C/O Jeanine Townsend, Clerk of the Board  
State Water Resources Control Board  
1001 I Street, 24<sup>th</sup> Floor  
Sacramento, CA 95814

Submitted via e-mail  
[commentletters@waterboards.ca.gov](mailto:commentletters@waterboards.ca.gov)

Subject: Comment Letter – Staff Proposal for Extended Emergency Regulation for Urban Water Conservation

Dear Ms. Marcus,

Santa Margarita Water District (District), appreciates the State Water Resources Control Board's (Board) leadership during California's ongoing drought and willingness to make iterative changes to the Extended Emergency Regulation for Urban Water Conservation (Extended Regulation). The District committed itself to complying with the Governor's and Board's previous emergency conservation standard and was able to meet our 23% cumulative demand reduction target.

The District is supportive of the Board's focus on replacing the state-developed, demand-driven standards with locally developed conservation standards based upon an agency's specific water supply reliability conditions. Conservation standards based on an agency's supply reliability provide incentives for agencies to develop local and sustainable supplies. This is an important factor for ratepayers who fund and expect water reliability.

The District has three comments on the proposed Extended Regulation (May 9, 2016):

Comment 1:

**The same period of time should be used for forecasting both production and supplies.** As proposed, water years 2013, 2014, and 2015 are to be used to project drought-affected supplies in 2017, 2018, & 2019 and compared to the average potable water production of 2013 and 2014. The effect of not including the production of 2015 negates the actual demand reductions the District experienced and artificially inflates demand compared to a projected supply portfolio that uses the hydrology of 2015. The lower production and demand of 2015 and 2016, to-date, will influence water production and the demand of future years due to the long-term investments the District and our customers have made to reduce water demand. Symmetry in demand and hydrology is rooted in both simplicity and reality.

Comment 2:

**The reporting date should be extended by a week for water wholesalers and suppliers to June 15, 2016 and June 22, 2016, respectively, and the conservation standard reported shall go into effect beginning June 1, 2016 through January 2017.** As proposed, the reporting date for water wholesalers is June 8, 2016 and water suppliers is June 15, 2016. However, to ensure that suppliers and wholesale agencies have enough time to assess and

validate supplies, the reporting dates for both water wholesalers and suppliers should be extended by one week. Water suppliers able to report by June 22, 2016 would have their conservation standard go into effect beginning June 1, 2016 and last through January 2017.

Comment 3:

The Board asked commenters to provide input on whether a minimum conservation standard, or "floor", be established. **With the move to regulation based on supply reliability, an agency's conservation standard should reflect that supply availability alone and without a minimum conservation standard, or "floor"**. The District recognizes that the Board does not want to see an erosion in water savings made in 2015 given an uncertain future hydrology. However, there have been significant investments made to reduce demand for the long-term. Furthermore, the Extended Regulation carries on with the same water-waste prohibitions that were in place throughout 2015, which will continue to promulgate water savings. The District is committed to developing sustainable local supplies while also offering resources and incentives to assist customers in reducing water use and does not require an arbitrary "floor" to invest in water reliability.

With 155,000 customers, SMWD is supportive of efforts to reduce urban water use during the drought while simultaneously developing local and regional sustainable water supplies. Please do not hesitate to contact me if you have any questions,

Very Truly Yours,

SANTA MARGARITA WATER DISTRICT



Daniel R. Ferons  
General Manager  
[danf@smwd.com](mailto:danf@smwd.com)