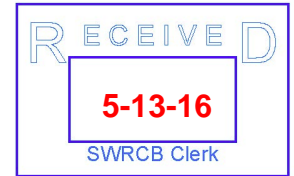




May 13, 2016



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The Honorable Felicia Marcus, Chair
and Honorable 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: "May 18, 2016 BOARD MEETING (Conservation Extended Emergency Regulation)"

Dear Chair Marcus and Members of the Board:

The Association of California Water Agencies (ACWA) appreciates this opportunity to provide comments to the State Water Resources Control Board (State Water Board) on the staff's proposed Conservation Extended Emergency Regulation (Proposed Emergency Regulation), which would further amend and readopt the Emergency Regulation that was last amended and adopted on February 2, 2016. The Proposed Emergency Regulation was prepared by staff in response to comments received by the State Water Board at its April 20 workshop, and in response to the Governor's Executive Order B-37-16 (EO) directing the State Water Board to adjust and extend the emergency regulations for urban water conservation through the end of January 2017. The Proposed Emergency Regulation is intended to address the significant rain and snow the State experienced from October 2015 through this March, which has significantly improved water supply conditions statewide and provided a welcome measure of drought relief.

ACWA represents over 430 public water agencies which are responsible for delivery of over 90% of the water used for residential, commercial and agricultural purposes in California. We appreciate the State Water Board's recognition of changed hydrologic conditions and the value of a supply reliability-based approach to the Emergency Regulation, in a transition away from the previous demand reduction-based approach.

ACWA is pleased to comment that the Proposed Emergency Regulation is a generally good proposal that is highly responsive to requests by water agencies for a water supply reliability-based alternative in the face of potential on-going drought conditions. We appreciate that the staff has carefully considered the significant input provided by water agencies over the last few months. We strongly support the option for urban water suppliers to self-certify the level of available water supplies assuming three additional dry years and then continue to implement

appropriate conservation levels necessary to assure adequate supply. As explained below, we believe that some modifications to the proposal are warranted.

Recommended Modifications

ACWA recommends that the staff proposal be modified to make the following four changes:

- 1) Provide an additional week for compliance with the self-certification requirements by amending Sec. 864.5(a)(2) and Sec. 864.5 (a)(3) to June 22, and Sec. 864.5 (e) to June 15. This allows wholesale and retail agencies some additional time to ensure that their calculations are quality-assured. This is particularly necessary where multiple levels of wholesale suppliers need to coordinate based on complex water supply relationships, as is the case in some parts of the state.
- 2) Allow urban water suppliers that are unable to meet the June 22 deadline to comply with the self-certification requirements beginning in July, while still complying with their existing applicable conservation standard through June 2016, as provided for in Sec. 865. This alternative could be permitted on a case-by-case basis in consultation with staff, based on a showing of good cause.
- 3) Amend Sec. 864.5(a)(4)(b) to calculate the conservation standard based on the first year, rather than the third year to reflect immediate emergency conditions rather than more speculative and highly conservative “worst case” conditions associated with the third year hydrology.
- 4) Amend Sec. 864.5(b)(2) to calculate potable water demand based on an average of three years including 2015, which is expected to better reflect likely water user demand in the face of continued drought conditions, as currently communicated by water suppliers, the State and the media.

Potential “Conservation Floor”

In its notice, the State Water Board staff requested that comments address the question of whether there should be a “conservation floor” (e.g., a minimum conservation level). ACWA opposes imposition of a “conservation floor” as it would undermine the purpose and integrity of the self-certification analysis and would continue to discount the value of local investments that support local drought supply reliability. For agencies that have quantitatively demonstrated water supply reliability in the face of three more dry years, there is no need to require additional state-imposed emergency demand reduction levels over the coming months. The EO separately directs the State Water Board to prepare further amendments to the Emergency Regulation before January to address the possibility of a dry upcoming winter, and that process would offer an opportunity to evaluate the success of the self-certification process.

The Honorable Felicia Marcus, Chair

Page 3 of 3

May 13, 2016

Conclusion

We encourage the State Water Board to adopt the Proposed Emergency Regulation, with the incorporation of ACWA's recommended modifications. The State Water Board can be assured that water agencies will continue to promote efficient water use and implement appropriate local water supply and demand management programs. Although self-certification will likely demonstrate that most urban water suppliers generally have adequate water supply reliability in the face of a continued drought, this alternative will provide an increased incentive to develop new local sources of supply and continue to improve water use efficiency.

ACWA also welcomes the opportunity to work with the Brown Administration, the Department of Water Resources, the State Water Board, and other stakeholders, to transition from the Emergency Regulation to a long-term approach to water conservation and management as directed in the EO and consistent with the Governor's California Water Action Plan.

ACWA appreciates the collaborative approach and diligence of the State Water Board as it continues to modify the Emergency Regulation in response to current conditions. Thank you for considering these comments. I am available to discuss these comments at daveb@acwa.com or (916) 441-4545.

Sincerely,



David Bolland
Special Projects Manager

cc: Mr. Tom Howard, Executive Director, State Water Board
Mr. Eric Oppenheimer, Chief Deputy Director, State Water Board
Mr. Max Gomberg, Climate Change Mitigation Strategist, State Water Board
Mr. Timothy H. Quinn, Executive Director, ACWA
Ms. Cindy Tuck, Deputy Executive Director for Government Relations, ACWA