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STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2024-

ADOPTING A REGULATION TO MAKE CONSERVATION A CALIFORNIA WAY OF LIFE

WHEREAS:

1. Many Californians and urban water suppliers have taken bold, creative, and sometimes-challenging steps over the years to use water more efficiently.
2. In 2018, the California State Legislature enacted Senate Bill (SB) 606 and Assembly Bill (AB) 1668 to establish guidelines for efficient urban water use and a framework for the implementation and oversight of new efficiency standards.
3. Water Code section 10609.2, added by AB 1668, directs the State Water Resources Control Board (State Water Board or Board), in coordination with the Department of Water Resources (Department), to adopt, through a regulation, standards for the efficient use of water and performance measures for commercial, industrial, and institutional water use. (Wat. Code, § 10609.2, subd. (a).) These standards, along with other standards, such as indoor residential water use standards set by the Legislature in Water Code section 10609.4, standards for water losses set by the Board pursuant to Water Code section 10608.34, and variances, guidelines and methodologies adopted by the Board, are to be used by urban retail water suppliers to set urban water use objectives. (Wat. Code, § 10609.2, subd. (e); Wat. Code, §§ 10609.12, 10609.14, 10609.16, 10609.20.)
4. Water Code section 10609, subdivision (c) established principles to apply to the development and implementation of the long-term standards and the urban water use objective, chief among them that urban retail water suppliers shall retain the flexibility to develop their water supply portfolios, design and implement water conservation strategies, educate their customers, and enforce their rules.
5. As part of its process for developing recommendations, the Department led 29 public meetings, seven working group workshops, and six stakeholder discussions. The Department provided recommendations to the State Water Board in November 2022. The State Water Board relied on those recommendations in developing the attached regulation.

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6. Prior to starting the official rulemaking process, the State Water Board conducted public engagement efforts to inform the framework for the regulation. Board staff hosted 12 public workshops covering an array of topics, including how the regulatory framework might specifically impact trees, parklands, and local wastewater management, and how it might impact water suppliers, communities, and the state. After the rulemaking began, the State Water Board held two public hearings, receiving 140 oral public comments, and staff held 21 working group meetings to better understand issues and concerns raised about the draft regulatory framework by interested parties. Staff also hosted 20 meetings with individual urban retail water suppliers serving disadvantaged communities. Over the course of the multiple comment periods, more than 1,000 formal comment letters were received.
7. The California [Water Supply Strategy](#), the [California Water Plan](#), the [Water Resilience Portfolio](#), and the [Climate Adaptation Strategy](#) recognize the importance of water conservation in safeguarding water resources and preparing California communities for more extreme drought and precipitation conditions.

Protecting Water Resources

8. As much as 50 percent of the water applied outdoors in the urban sector is lost due to wind, evaporation, or runoff caused by inefficient irrigation methods or systems. Climate-ready landscapes can reduce dry-weather and wet-weather runoff. With deeply rooted plants and soils enriched with compost and mulch, these landscapes are efficiently irrigated and excel at slowing, spreading, and absorbing precipitation. Limiting runoff protects our water resources from harmful pesticides, nutrients, metals and bacteria, keeping them drinkable, fishable, and swimmable.

Mitigating and Adapting to Climate Change

9. Conserving water can reduce energy use, which reduces greenhouse gas emissions and other co-emitted air pollutants. Energy savings come primarily from avoiding energy used for extracting, conveying, treating, distributing, and the end uses of water (especially heating), as well as the energy use for collecting, treating, and discharging or reusing wastewater.

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10. As plants in urban landscapes, trees can require four to ten times less water than turf and can be irrigated much more efficiently, ensuring more of the applied water reaches and is used by the plants. Expanding the urban tree canopy can therefore save water; it can also reduce the urban heat island effect and sequester carbon.
11. California is preparing for changing precipitation patterns, including more frequent and intense atmospheric river storms, more frequent and intense droughts, and other weather extremes. Water conservation will help California communities be more resilient to climate whiplash.
12. Actions suppliers may take to implement the regulation could include programs to incentivize more efficiently irrigated climate-ready landscapes. In addition to the benefits noted above, climate-appropriate plants need less water in the summer and can provide more habitat for pollinators, insects, and birds. Furthermore, cultivating climate-ready landscapes with the addition of compost and mulch can build healthier soils by using organic materials that might otherwise go to landfills.

Advancing Affordability and Equity

13. Additional water conservation can, in some cases, help keep customers' future water costs more affordable, relative to what costs might be if suppliers instead invested in additional water supplies, which are often more expensive than conservation.
14. Studies have found less tree canopy in disadvantaged communities in California cities. Expanding the urban tree canopy can lower water use, and water bills, as well as reduce cooling needs and costs.

THEREFORE BE IT RESOLVED THAT:

1. The State Water Board adopts a new article 1 in California Code of Regulations, title 23, division 3, chapter 3.5, as appended to this resolution as a regulation, and renumbers existing articles in chapter 3.5.
2. State Water Board staff shall submit the regulation to the Office of Administrative Law (OAL) for review and filing with the Secretary of State.

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3. If, prior to OAL filing the regulations with the Secretary of State, State Water Board staff, the State Water Board, or OAL determines that minor corrections to the language of the regulation or supporting documentation are needed for clarity or consistency, the State Water Board Executive Director or the Executive Director's designee may make such changes.
4. The State Water Board directs staff to identify frequently asked questions and broadly disseminate information regarding the regulation.
5. The State Water Board directs staff to coordinate with the Department to identify and pursue opportunities to update residential landscape area frequently and as soon as feasible, ensuring stakeholder engagement in the process. The Board recognizes the importance of landscape area data for this framework and the challenges involved in updating the data.
6. The State Water Board directs staff to consider affordability and equity when implementing the regulation. To this end, the Board further directs staff to, to the degree possible:
 - a. In coordination with the Department, prioritize technical assistance and compliance support for suppliers that are struggling to meet regulatory obligations and serving areas where the majority of customers reside in disadvantaged communities. This technical assistance may include helping water agency staff understand the regulation and its requirements; providing support regarding alternative compliance; identifying possible sources of funding for the supplier's efforts; developing or aggregating outreach and education materials; conducting analyses of the accuracy of relevant data; and evaluating whether a supplier could have qualified for any variances.
 - b. Engage with suppliers and other organizations to help forge partnerships dedicated to multi-benefit water conservation projects.
 - c. Assess potential equity impacts of the implementation of the regulation.
 - d. Develop guidance for suppliers regarding strategies to support low-income households. Such strategies may include integrating conservation and low-income rate assistance programs; partnering with community-based organizations to develop or expand programs

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for the direct installation of water efficient fixtures, appliances, and landscapes; and changing rate structures.

7. The State Water Board will make every effort to implement the regulation in a manner that protects water resources, mitigates and adapts to climate change impacts, and accelerates nature-based solutions. To these ends, the Board directs staff to, to the degree possible:
 - a. Coordinate with CalRecycle to develop guidance for suppliers regarding strategies that can be used to help Californians to conserve water while also supporting local and statewide efforts to divert organic waste from landfills, improve soil health with the addition of compost and mulch, and reduce emissions of short-lived climate pollutants.
 - b. Coordinate with CalFIRE to develop guidance for suppliers regarding strategies to keep existing trees healthy and identify climate-ready trees suitable for suppliers' service areas.
 - c. Coordinate with the California Energy Commission to better integrate and leverage water and energy programs and initiatives, such as the [Building Energy Benchmarking Program](#) and the [Residential Appliance Saturation Study](#).
 - d. Coordinate with the California Department of Fish and Wildlife to develop guidance and strategies that help Californians conserve water while also supporting urban biodiversity.
8. The State Water Board will, to the degree possible, work to streamline suppliers' data reporting by integrating relevant data, including, but not limited to, data that have been previously reported to the state. To this end, the Board directs staff to:
 - a. Facilitate annual reporting by compiling and making relevant data publicly available in a machine-readable format.
 - b. Evaluate the sources and quality of relevant data and develop recommendations to better facilitate data streamlining by minimizing duplicative reporting and integrating data reported through other systems.

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- c. Explore ways to develop an online reporting form that incorporates relevant data.
 - d. To better integrate water conservation and certain supplier operations data, include in the reporting form a field where a supplier can voluntarily provide a link to analyses the supplier conducted in the course of setting fees or charges for water service, or other pertinent information.
9. The State Water Board commits to integrating urban water conservation and the goals of this regulation into other State Water Board programs, to the degree appropriate, including:
 - a. Evaluating whether and how the Board could allocate funding to support water conservation efforts. Division of Financial Assistance staff should consider whether and how to incorporate conservation into Drinking Water and Clean Water Intended Use Plans, or the Drinking Water State Revolving Fund and Clean Water State Revolving Fund Policies, as appropriate.
10. With respect to suppliers' possible violations of the regulation, the State Water Board values fair, consistent, progressive, and transparent enforcement. To this end, the Board directs staff to:
 - a. Consider the sequencing of actions outlined by the Legislature in Water Code section 10609.26.
 - b. Consider what conservation measures the supplier is taking and whether those measures are resulting in the expected and intended savings.
 - c. Consider the degree to which the supplier is taking reasonable steps to protect existing trees and whether meeting the irrigation needs of existing trees could be preventing the supplier from meeting its urban water use objective.
11. Unless and until directed otherwise, staff shall bring periodic information items to the Board describing the progress staff have made in carrying out the actions identified in this resolution and summarizing the progress suppliers have made in calculating and meeting urban water objectives and carrying out CII performance measures.

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12. By December 2028, staff shall bring an information item to the Board describing any compliance actions taken and recommend whether the Board should adopt a policy or guidelines establishing enforcement procedures for the conservation program.

13. Nothing in the regulation or in the enforcement provisions of the regulation precludes a local agency from exercising its authority to adopt more stringent conservation measures. Local agencies are encouraged to develop their own progressive enforcement practices to promote conservation.

CERTIFICATION

The undersigned Clerk to the Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on July 3, 2024.

Courtney Tyler
Clerk to the Board