



301 North Lake Avenue  
10th Floor  
Pasadena, CA 91101-5123  
Phone: 626.793.9400  
Fax: 626.793.5900  
www.lagerlof.com

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**VIA E-MAIL & FIRST CLASS MAIL**

Ms. Jeanine Townsend, Clerk to the Board  
State Water Resources Control Board  
1001 I Street, 24<sup>th</sup> Floor  
Sacramento, California 95814



**SUBJECT: COMMENTS BY THE PUBLIC WATER AGENCIES GROUP  
REGARDING PROPOSED REGULATORY FRAMEWORK FOR  
STATEWIDE URBAN WATER CONSERVATION**

Dear Ms. Townsend:

We represent the Public Water Agencies Group (the “Group”), an informal association of 17 public agency water suppliers<sup>1</sup> who provide wholesale and retail water service in Los Angeles County. We appreciate the State Water Resources Control Board (the “State Board”) providing this opportunity to comment on the draft proposed Emergency Regulation for Urban Water Conservation (“Emergency Regulation”).

The Group appreciates the changes the State Board has incorporated into the Emergency Regulation since the prior framework regarding the Emergency Regulation was provided in late 2015. However, the Group believes that further changes to the Emergency Regulation are needed to ensure the Emergency Regulation is equitable and fair to water suppliers and their customers. Thus, the Group supports the following further revisions to the Emergency Regulation:

**1. No Cut-Off Date for the Drought-Resiliency Supply Credit.** As currently proposed, the new local drought-resiliency supply credit will only recognize new sources of supply that were developed in 2013 or later. As a result, if a water supplier invested in a new drought-resilient source of supply that was completed in 2012 or earlier, it would get no credit

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<sup>1</sup> The Group consists of Crescenta Valley Water District, Kinneloa Irrigation District, La Habra Heights County Water District, La Puente Valley County Water District, Newhall County Water District, Orchard Dale Water District, Palmdale Water District, Pico Water District, Quartz Hill Water District, Rowland Water District, San Gabriel County Water District, San Gabriel Valley Municipal Water District, Sativa-Los Angeles County Water District, South Montebello Irrigation District, Three Valleys Municipal Water District, Valley County Water District and Walnut Valley Water District.

under the proposed Emergency Regulation. This effectively penalizes urban water suppliers. An example is provided by the numerous water suppliers who invested significant public monies in developing recycled water systems over the past 20 years or even longer. Those investments have yielded significant benefits in the current severe drought by allowing land uses that would otherwise be using potable water supplies to instead be served recycled water. However, with the 2013 cut-off date, water suppliers who have made such investments get no credit for those investments and, in fact, are being penalized because their overall prior (i.e., 2013) water use already has been reduced through those recycled water supplies. Thus, we believe that there should either be no cut-off date, or the cut-off date should be moved significantly back in time – perhaps to 1991, when the Water Recycling Act of 1991 was enacted. If a water supplier invested in a new source of supply at any time before the selected cut-off date and it can prove the efficacy of that supply, a credit should be recognized. Those water suppliers acted responsibly in investing in those recycled water systems and they should not now be penalized.

**2. Recycled Water as Drought-Resilient Supply – Definitional Issue.** It is currently unclear in the Emergency Regulation if recycled water is part of the definition of “new local, drought-resilient water supply.” The language of the Emergency Regulation should make clear that recycled water constitutes a “new local, drought-resilient water supply.” As discussed in the prior paragraph, many water suppliers across the state have constructed and continue to utilize recycled water facilities. As a result, they have saved large amounts of water. This should be recognized in the Emergency Regulation. Additionally, without a recycled water credit, water suppliers are not incentivized to invest money in constructing new recycled water facilities. Thus, recycled water should be part of the definition under the drought-resilient supply credit.

**3. Climate Adjustment Factors.** We have reviewed the climate adjustments proposed for various urban water suppliers. Those adjustments seem to be inconsistent. For example, numerous water suppliers in inland, dry areas (e.g., Group members Rowland Water District and Walnut Valley Water District) are receiving no climate adjustment credits, while suppliers in cooler, mountainous areas (e.g., South Tahoe Public Utilities District) are receiving 3% credits. If the State Board’s formula that has been developed is resulting in such seemingly skewed credits, we believe that formula needs to be revisited.

**4. Mechanism for Adjustment of Conservation Tiers.** As a result of the highly anticipated El Niño weather system, California has experienced above average rainfall and snowfall in 2016. If this trend continues, it would be unfair for the State Board to continue to enforce the current conservation standards. The Emergency Regulation should have a mechanism for adjustment of the conservation tiers in case above average precipitation

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continues, and the Governor amends his executive order to lower the conservation goals of the state.

Thank you for this third opportunity to comment on the proposed Emergency Regulation for 2016. If you have any questions regarding this matter, please contact Dominic Nunneri at 626-793-9400, or by e-mail at [dnunneri@lagerlof.com](mailto:dnunneri@lagerlof.com).

Very truly yours,



Handwritten signature of Dominic J. Nunneri in blue ink.

Dominic J. Nunneri

DJN/cc

cc: Public Water Agencies Group Members (via e-mail)

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