



January 12, 2017

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

Subject: Comment Letter – Urban Water Conservation Workshop

Dear Chair Marcus and Board Members:

We appreciate the opportunity to provide input to the State Water Resources Control Board (“State Board”) on the need to continue the current Emergency Regulation for Statewide Urban Water Conservation. Eastern Municipal Water District (“EMWD”) cultivates a culture of conservation in our region and our customers have repeatedly responded to the call to reduce demand during recent drought conditions. This is demonstrated in EMWD’s continued cumulative demand reduction of 18 percent from June 2015 to December 2016 when compared to 2013. This significant and sustained demand reduction is in addition to EMWD’s conservation achievements prior to 2013. Overall, EMWD’s conservation and water use efficiency efforts have resulted in an extraordinary per capita demand reduction of over 40 percent from peak usage in 2001. Moreover, these significant demand reductions have been maintained even after EMWD’s “stress test” under the existing Emergency Regulations resulted in a conservation standard of zero in June of 2016.

We support the effort to make conservation a way of life in California and long-term water saving targets based on the efficient use of water. We also support the effort to strengthen water shortage contingency plans resulting in proactive drought planning and water management. A shift is needed from short-term reactive emergency conservation responses to a more long-term proactive approach to water supply planning and water use efficiency. As hydrologic and water supply conditions continue to significantly improve in the vast majority of the state, it is imperative that the state and water suppliers acknowledge and communicate improved conditions in our outreach to the public in order to remain credible and relevant.

Conservation efforts should shift from extreme short-term demand reduction actions to more long-term sustainable behaviors. Our comments and response to the three questions posed in the notice of public workshop reflect this position.

Board of Directors

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Question 1: What elements of the existing May 2016 Emergency Regulation, if any, should be modified? Should the State Water Board wait until the hydrology for the current water year is known (April or later) before proposing adjustments to the current method for calculating conservation standards? And, should the State Water Board allow suppliers to update or modify their conservation standard calculations (and if so, how)?

We would support the continuation of the prohibitions on wasteful water usage contained in *Section 864. End-User Requirements in Promotion of Water Conservation* of the existing May 2016 Emergency Regulation. Many of these requirements have been adopted as a permanent part of EMWD's Water Use Efficiency Section of its Administrative Code, and many other agencies have also adopted ordinances and policies to disallow these and other wasteful practices. We also support continuing water usage reporting outlined in *Section 865. Mandatory Actions by Water Suppliers*, and believe the on-going submission of publically available data keeps the state informed of water conservation trends statewide. Notably, both the requirement to discontinue wasteful practices and to maintain monthly reporting are proposed as part of the State's long-term conservation framework, and may in the future be permanently implemented through a rulemaking process. As such, and in deference to the need for state and local agencies to maintain vigilance as California continues to move out of drought, we support leaving these two elements in place at this time.

However, we urge the State Board to rescind mandatory conservation targets for water suppliers and conclude the emergency status of the regulations. As noted above, water supply conditions continue to dramatically improve and, as demonstrated by the June 2016 reliability assessments, even under dryer conditions in early 2016 the vast majority of water suppliers were in a position to meet customer demands without the need for mandated conservation. Simply put, the status of agencies' supply conditions throughout the state and the steady recovery of local and regional storage combined with what appears to be sustained levels of state-wide water use efficiency are inconsistent with an emergency condition. Continuing with emergency regulations under these conditions undermines public confidence and in our view, will harm our ability to engage the public in the future to conserve water at extraordinary levels when a true supply emergency occurs.

Question 2: Should the State Water Board account for regional differences in snowpack, precipitation, and lingering drought impacts differently than under the current emergency regulation, and if so, how?

Although, as previously noted, we believe the emergency basis for the regulations is no longer exists, the current emergency regulation already accomplishes this by requiring a reliability assessment, or “stress test,” by individual water suppliers. Because water supply portfolios can vary among even adjacent agencies, supply and demand should always be evaluated at the water supplier level, not regionally. As water suppliers invest in hydrologically independent, drought resilient supplies, the benefit of these supplies should be realized, especially in times of drought. A water supplier should not be held to stringent standards because others in its region have not made similar investments.

Question 3: Executive Order B-37-16 requires the Board to develop a proposal to achieve a mandatory reduction in potable water use that builds off the mandatory 25 percent reduction in previous Executive Orders and lessons learned through 2016. The Board, however, is not required to act on this proposal. Should the Board act now, or later if conditions warrant, to a conservation standard structure like the one the Board adopted in February 2016 to achieve a mandatory reduction in water use? Should the Board set a conservation floor, individually or cumulatively?

We would oppose the implementation of a conservation numeric standard structure like the one adopted in February 2016 for two reasons. First, the regulations adopted in February of 2016 were put in place on an accelerated schedule with limited information. They did not fully account for many of the diverse conditions that impact water supply efficiency and reliability and, in our view, were inequitable. Moving to this type of structure, either now or in the future, would be a significant step backward in implementing any Emergency Regulation. Second, an emergency water supply condition does not exist in the vast majority of the state so promulgating a numeric standard is not only unneeded, it undermines the state’s credibility with the water community and more importantly, the public.

Alternatively, the draft framework for implementing Executive Order B-37-16 released by State agencies on November 30, 2016 included proposals for revised water shortage contingency planning and new water use efficiency targets. The proposed changes to Water Shortage Contingency Plans in the draft framework included an annual assessment of supply and demand. This information would be applied to an individual water supplier to determine the need for and extent of any future mandatory water demand reductions during drought and water shortage conditions.

Extraordinary conservation requirements should only be triggered when there are actual shortage conditions experienced at the water supplier level. This approach provides long-term stability for water suppliers and motivates investment in hydrologically independent, drought

resistant water supplies to avoid such shortages. It also encourages consistent investments in long-term water use efficiency programs. Extraordinary conservation should be implemented in emergency or dry year conditions, while long-term water use efficiency under the proposed framework should be designed to provide year after year benefits, improving reliability and stability.

Thank you again for the opportunity to provide input on the emergency regulations. We look forward to continued efforts in improving water use efficiency and water supply reliability planning across the state.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul D. Jones II". The signature is written in a cursive style with a prominent "P" and "J".

Paul D. Jones II, P.E.
General Manager

cc. Eastern Municipal Water District Board of Directors