HUMBOLDT BAY MUNICIPAL WATER DISTRICT



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April 13, 2015

GENERAL MANAGER CAROL RISCHE

VIA Email: <u>Jessica.bean@waterboards.ca.gov</u> Jessica Bean State Water Resource Control Board 1001 | Street Sacramento, CA 95814

Re: Comments on Emergency Rulemaking regarding April 1, 2015 Executive Order

Dear Ms. Bean,

The Humboldt Bay Municipal Water District (District) submits these comments for the emergency rule making under the Governor's Executive Order dated April 1, 2015.

The District supplies wholesale water to three cities (Arcata, Blue Lake, and Eureka) and four community services districts (Fieldbrook-Giendale, Humboldt, Manila, and McKinleyville) for ultimate delivery to retail customers.

We respectfully request that the SWRCB introduce flexibility into its regulatory program to achieve the desired or necessary level of water conservation. Like last year, the District finds itself in a very unique position during this exceptional drought period of having more than sufficient water supplies. The purpose of this letter is twofold: 1) to provide a summary of our unique water supply availability during this historic California drought, and 2) to request that the SWRCB strive to develop a reduced and more flexible regulatory approach that takes into consideration local supply/demand conditions such as ours. We understand the desire on the part of the Administration for all of urban California to "do its part," but we respectfully suggest that demanding water conservation when we have several years' of supplies fails to meet the constitutional mandate that the waters of the state be "put to beneficial use to the fullest extent of which they are capable."

Summary of Unique Water Supply Availability

1) The District has not experienced a water shortage at any time during the prolonged drought which has affected most of California. The District's source of supply -Ruth Reservoir -has filled to capacity four times this season (in December, February, March and again in April) despite Humboldt County's classification as D-2 Severe Drought by the National Drought Mitigation Center. This is not unusual; Ruth Reservoir has filled to capacity each and every year of the State's four-year drought.

Due to the District's full reservoir and reduced demands, the District is not experiencing any water shortage, and has sufficient water supply to carry it through multiple future drought years. Assuming zero rainfall recharge to our reservoir, we have determined we have reservoir capacity of 3 years or until April 2018 to meet 100% of our municipal customer demands and instream flow requirements. This highly reliable supply surpasses statements from the Administration that Californians should conserve water to be prepared for an extended drought; our customers are already in that very beneficial position.

Our reservoir is located 75 miles above our point of diversion on the Mad River and only 7 miles from the ocean. This catchment and diversion configuration results in stream flow enhancement through our normal operations. In fact, we believe our District is the only one in California with an approved Aquatic Habitat Conservation Plan.

We pride ourselves on our cooperative relationships with our local California Department of Fish & Wildlife and National Marine Fisheries area representatives. In fact, the CDFW has been conducting Didson imagery in the river at our diversion facilities. With this equipment, they have documented that there has been a return of a summer run of steelhead in the river. We point this information out to assure the SWRCB that our operations are consistent with fishery resource goals and policy and that we have a well-managed watershed.

Furthermore, as reported in our Urban Water Management Plan, the District's reservoir was able to serve all of the District's water needs during our region's driest three-year period on record (October 1989 to September 1992), and this was before the 80% reduction in demand that resulted from the closing of our local pulp mills in the 1990's.

Our four largest municipal customers: City of Arcata, City of Eureka, Humboldt Community Service District and McKinleyville Community Service District comprise 86% of our demand. These municipalities have implemented extensive conservation measures in response to the previous drought Executive Order and Emergency Regulations. Their Residential Gallons per Capita Day or R-GCDP's are listed below for September 2014.

R-GPCD

September 2014				
Arcata	Eureka	HCSD	McKCSD	Region
				Combined
51	81	67	72	69

On a blended basis (i.e., accounting for population and water use) our regional gpcd is 69. Our water conservation measures and a responsive constituency demonstrate our good stewardship of our local resources.

Moreover, additional conservation by our service region cannot currently benefit any other California water district as we are geographically isolated with no connecting infrastructure to either the Federal or State water systems. Therefore, creating additional supply duration through unprecedented conservation measures will not benefit the state. The only benefit will be to further extend our current 3 year supply which is only accessible within our local region around Humboldt Bay. As noted above, preventing our ratepayers from using water to which they are entitled, with a thriving fishery and a very resilient and reliable water supply, would violate the provisions of Article X, Section 2 of the California Constitution.

2) The District, in fact, has surplus water available. Last year, the District filed for a Temporary Urgency Change Petition with the SWRCB to change the place of use of our water right permit to accommodate delivery of bulk water to small communities and tribes in outlying areas who experienced acute water shortages. In this way, we are using our water to meet local needs as well as the environment and water supply reliability.

Finally, it is important to note the potential financial impact of the proposed water conservation regulations to our District and seven municipal wholesale customers. In our case, approximately 60% of our retail water deliveries are to a single industrial customer, DG Power, which is a co-generation plant that generates green energy. In an era where renewable energy is becoming ever more important, we do not believe that reducing deliveries to this customer is warranted. Moreover, because of the limited population and economic base in Humboldt County, water rates are one of the few ways that we can finance the needed capital improvements (including additional water conservation) in our water delivery systems. Imposing reductions in water use, therefore, will have the perverse effect of undermining our water supply reliability by undermining the financial stability of our retailers.

Please understand that we fully support efficient use of water and voluntary conservation practices at all times. However, imposing mandatory regulations and/or high water-use reductions do not provide any drought relief or benefit to our service territory. As a result of our unique situation with a multi-year supply of surplus water and no means to benefit any other water district within the state, our District respectfully requests that the SWRCB:

1) allow a reduced percentage of 10% reduction in potable urban water use for our service area; and 2) introduce flexibility into the new emergency regulations to account for varying local water supply conditions.

Carol Rische, General Manager Humboldt Bay Municipal Water District



Greg Orsini, Manager

McKinleyville Community Services District



Brian Gerving, Public Works Director

City of Eureka



Cc: Senator Mike McGuire
Assemblymember Jim Wood
Humboldt County Board of Supervisors
Wholesale Municipal Customers
Zuey Goosby and Deanna Sisk, Local Legislative Representatives
Greater Eureka Chamber of Commerce
Dorie Lannie, Humboldt County Drought Task Force
Tim Quinn and David Boland, ACWA
Bob Marino, DG Fairhaven Power











David Hull, Manager

City of Arcata

Humboldt Community Services District

Erik Lust, Water/Wastewater Superintendent





