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April 13, 2015

Chair Felicia Marcus
State Water Resources Control Board
P.O. Box 100
Sacramento, CA 95812-0100

RE: Mandatory Conservation Proposed Regulatory Framework

Dear Chair Felicia Marcus:

On behalf of the San Diego Regional Chamber of Commerce (Chamber), I am writing to express our concern with the Mandatory Conservation Proposed Regulatory Framework (Framework) as currently drafted. With nearly 3,000 members representing 400,000 employees, the Chamber is dedicated to promoting a business-friendly environment and to growing the local economy. The Chamber understands the importance of water supply, reliability, and cost and has identified it as our top public policy priority.

Although it appears that the intent of the draft "Apportioning Water Supplier Reductions Standards" is to adjust the standard by district to reflect conservation achievements, using residential per capita water use to assess overall district conservation is an inappropriate use of data. The result would be disadvantaging districts with higher residential use, regardless of the size and water efficiency of commercial and agricultural ratepayer classes.

It is also paramount to ensure that local ratepayer investments are not penalized. Ratepayers served by the San Diego County Water Authority have invested in a desalination plant to increase the reliability of water locally. This plant will produce potable water this year. If the Framework does not provide credit to districts that are investing in local sources of drought-proof water, it discourages investing in the very resources we should be encouraging. This type of policy would result in San Diego ratepayers receiving no benefit from their increased rates and would send a strong message to districts across the state that local investment is not in their best interest.

The need to respond to the drought by creating an efficient and robust framework of thoughtful regulations and incentives cannot be overstated. The Framework should allow districts flexibility in achieving meaningful goals that are equitably allocated. Falling short of this standard will result in an unnecessary reduction in the productive use of water that powers our economy – costing jobs – while lawns in other districts could stay green and overwatered.

I respectfully urge you to consider these concerns as the Mandatory Conservation Proposed Regulatory Framework is revised. If you have any questions, please do not hesitate to contact Chanelle Hawken, Vice President of Public Policy, at (619) 544-1365 or chawken@sdchamber.org.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Sanders', is written over a white background.

Jerry Sanders
President & CEO
San Diego Regional Chamber of Commerce