April 13, 2015

Jessica Bean State Water Resources Control Board Post Office Box 100 Sacramento, CA 95812-0100 jessica.bean@waterboards.ca.gov

Attention: Comments on April 1, 2015 Executive Order and the Proposed Regulatory Framework

Dear Ms. Bean,

The Inland Empire Utilities Agency (IEUA) appreciates the opportunity to provide input to the State Water Resources Control Board (State Board) on the proposed Regulatory Framework developed to meet the Governor's April 1, 2015 Mandatory Conservation Proposed Regulatory Framework, Executive Order B-29-15. IEUA fully supports the Governor's actions to address this unprecedented drought. The IEUA intent, with our recommendations, seeks to drive conservation even further in our region and state-wide, increase equity across agencies, and improve the financial standing of agencies who work diligently for long-term conservation.

In total, the recommendations included below helps IEUA build an "infrastructure for water use efficiency" with our retail agencies. Therefore, we recommend the State Board consider the following additions to the proposed Framework and emergency regulations.

- Incorporate a Weather Zone Adjustment into the State Board Model It is recommended that the
 model incorporate the effects of evapotranspiration (ETo), as published by the Department of Water
 Resources (DWR) CIMIS Reference Evapotranspiration Zones map. Application of the DWR
 reference ETo per region in the model will ensure that regional weather is considered in the
 application of the tiered Framework.
- Allow for a "Regional Compliance" to the Executive Order Allow regions or agency groups to work
 cooperatively together to achieve a collective compliance in their region. This will increase
 cooperation and realize economies of scale for conservation programs across agencies.
- 3. Allow for a "Corrective Action Plan" Alternative While all agencies will work to meet the conservation target, it is likely that a number of communities may not meet their objective within the nine-month timeframe. As an alternative, within a given time-period, an agency may submit a Corrective Action Plan that shows a ramping-up of actions that will lead to meeting the Executive Order and maintaining long-term efficiency. A Corrective Action Plan could include a commitment toward implementing allocation-based rates that utilize indoor and outdoor efficiency goals that exceed the current State standards.

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Additions to the regulations, similar to the "Alternative Plan" option, Sec. 865 (2) of Resolution No. 2015-0013, would recognize the time and cost to make this substantive change. The ability of agencies to submit a Corrective Action Plan would provide significant leverage to drive toward long-term enforcement of a high level of water use efficiency performance.

- 4. Clarify the Opportunity for "New" Recycled Water Projects Should an agency implement new recycled water projects that replace potable water use, clarify that such actions can be counted toward meeting the potable water use reductions.
- 5. Increase the number of Framework Tiers To more equitably align the proposed conservation standards it is recommended that additional tiers be added.
- 6. Provide Funding for Allocation-Based Rate Implementation Agencies with traditional rates have a disincentive, and a difficult public message, to save water. IEUA recommends a specifically designated fund be established to assist the transition from traditional water rate designs for agencies that commit to adopting allocation-based rates and utilize more stringent allocation variables. This would insure that long-term conservation and fiscal solvency are achieved at the local agency level.
- 7. Allow an Alternative Monitoring/Measurement of Customer Efficiency While GPCD is the current measurement used to compare water conservation achievements, we recommend agencies be allowed to report a percentage of accounts that meet current State efficiency standards for indoor and outdoor use (SBX7 & AB 1881). This measurement would capture a more accurate accounting of customer-level efficiency.
- 8. Limit State Landscape Water Use Apply the same potable water elimination for landscaped medians to State landscaped areas such as Caltrans and campus sites using potable water.

Thank you for your consideration of these suggested modification to the proposed Regulatory Framework. If you have any questions, please contact me at (909) 993-1730 or jgrindstaff@ieua.org.

Sincerely,

Inland Empire Utilities Agency

P. Joseph Grindstaff General Manager