

(5/5-6/15) Board Meeting- Item 6 Emergency Conservation Regulation Deadline: 5/4/15 by 10:00 am



May 1, 2015

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Ms. Jeanine Townsend State Water Resources Control Board 1001 I Street, 24th Floor Sacramento, CA 95814 Via Email; commentletters@waterboards.ca.gov

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Re: Mandatory Conservation Executive Order B-29-15; Comments on Proposed Regulations

Dear Ms. Townsend:

The City of Santa Clara appreciates the opportunity to provide comment on the proposed regulations.

The City of Santa Clara operates a municipal water utility in the heart of the Silicon Valley serving 120,245 residents and approximately 3,000 commercial, industrial and institutional (CII) accounts, including many recognizable high tech companies like Intel, Applied Materials, and Siliconix. The City is also home to the only LEED Gold certified stadium, Levi's Stadium. In addition, the City of Santa Clara also has an extensive recycled water program. In addition, last year WateReuse California named the City of Santa Clara Agency of the Year as a result of our recycled water program.

The City has reviewed the proposed regulations. We appreciate the inclusion of the proposed tiers as an acknowledgement of the varying degree of past implementation of water conservation measures by the various water utilities. The proposed tiers indicate that Santa Clara will be asked to reduce water consumption by 16% from 2013 levels. We are prepared to do our part. The City of Santa Clara has dedicated an additional \$450,000 for conservation programs this summer to attempt to meet the 16% conservation target. However, we are approaching the limit of what is possible for our City to accomplish through water conservation due to demand hardening. 44% percent of our water sales is CII, and 20% of the water demand within the City has already been shifted to recycled water. Due to the conservation, building code changes and expanding recycled water use, the City's potable water sales have been declining over the last 20 years. Sales have declined to a level not seen in this City since 1977. We plan to aggressively continue to pursue adding customers to the recycled water system, as this is the most productive conservation measure available to the City that does not negatively impact our local economy.



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If the drought continues, we would recommend and request that the State aggressively pursue the augmentation of water supplies through the use of recycled water for non-potable uses, indirect potable reuse, and direct potable reuse. While we understand the need for conservation as a short term response to the drought, the expedited implementation of recycled water projects through grant funding, CEQA streamlining, or targeted CEQA exemptions will offer the potential to augment dwindling supplies should the drought continue. In Executive Order B-29-15, the Governor directed all "State permitting agencies" to "prioritize review and approval" of programs and projects that "increase local water supplies." The State's Recycled Water Policy, calls on the State to substantially increase the use of recycled water by 2020. The current drought gives us the opportunity to accelerate recycled water programs throughout the state. We would ask the State to significantly streamline approval of recycled water permit process for non-potable and potable uses, and provide substantial financial incentives for agencies willing to increase their use of recycled water.

A recent study, "Socioeconomic Impacts of Water Shortages with the Hetch Hetchy Regional Water System Service Area" conducted by San Francisco Public Utilities Commission indicates that a decreases in water supply have the potential for significant economic impact on the San Francisco Bay Area and the Silicon Valley. The report estimates potential job losses between 3,021 for a 10% reduction in supply to 116,158 for a 60% reduction. Therefore, it is in the States best interest to fund and streamline permitting for water supply projects including recycled water projects that keep the economic engine of the Silicon Valley and the Bay Area running.

We would like to thank the Board for the opportunity to comment on the regulations.

Sincerely,

Christopher L. de Groot

Director of Water and Sewer Utilities

cc: Julio Fuentes, City Manager Richard Nosky, City Attorney David Aladjem, Downey Brand