



November 30, 2015

Jeanine Townsend
Clerk to the Board
State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, CA 95814

Delivered To: commentletters@waterboards.ca.gov

Subject: Comment Letter - Urban Water Conservation Workshop December 7, 2015

Dear Ms. Townsend:

Thank you for the opportunity to submit Padre Dam Municipal Water District's comments on the potential extension and modification of the existing Emergency Regulations for Statewide Urban Water Conservation if drought conditions persist into 2016. Padre Dam has been a leader and innovator in water recycling for almost 60 years and is currently in the advanced planning stages of a large scale cutting edge potable reuse project to add up to 20,000 acre feet per year of drought proof supplies to both Padre Dam and the adjoining Helix Water District.

Padre Dam's position is that any revision or extension of the Emergency Conservation regulations must provide full credit for all sustainable water supplies in calculating an agency's urban water conservation target. If agencies that have proven to be water efficient are not able to use the supply they develop there is no incentive to produce new water supplies.

Specifically, our potable reuse project will serve 370,000 customers in the region and by 2020 produce 30% of our water supply locally. This project will not only enhance the reliability of water supply for East San Diego County residents and businesses but it will reduce demand for imported water supplies from the State Water Project and eliminate the discharge of up to 17 MGD of wastewater from the Point Loma Ocean Outfall.

Padre Dam Municipal Water District is a Conservation leader

Padre Dam serves 100,000 customers in a large service area comprising multiple communities of East San Diego County and our customers have done an extraordinary job achieving water savings during the current drought. From June 2015 through October 2015, Padre Dam achieved a 30 percent reduction in water use, exceeding our conservation standard of 20 percent by 10 percent to date. We have achieved this without raising water rates or imposing drought penalties at this time.

Padre Dam's customer's achieved these current savings on top of a previous 35% reduction in water use since 2007. Our residents and businesses have clearly shown a commitment to efficient water use and as an agency we achieved our SBX7-7 gallons per capita day (gpcd) goal prior to the current drought and well before 2020. Padre Dam ratepayers and our region, through the San Diego County Water Authority, have also made enormous investments in water supply reliability and sustainable water supplies.

Our ratepayers have made these investments and a commitment to water use efficiency over several decades and have done so to improve water reliability and supply availability in our District during times of drought and shortages.

Padre Dam Municipal Water District is a Recycled Water Leader

Padre Dam has been a leader and innovator in water recycling in California for almost 60 years. The water recycling process began in Santee in the late 1950's followed by the opening of Santee Lakes Recreation Preserve in 1961. The recycled water project and Santee Lakes received worldwide attention and continue to attract interest in the field of water reuse. In 1997, our Ray Stoyer Water Recycling Facility was expanded to 2 million gallons per day to provide water for Santee Lakes and for non-potable reuse to the community. Without our recycled water program Padre Dam would have an additional 1,600 AF of potable water demand per year for our service area. Additionally, Santee Lakes enhances the San Diego region with a 190-acre regional park and campground that would not exist without recycled water.

We are currently in the advanced planning stages of a large scale cutting edge potable reuse project capable of adding up to 20,000 acre feet of drought proof supplies to both Padre Dam and the adjoining Helix Water District, a combined area that serves over 370,000 customers. By 2020, Padre Dam's *Advanced Water Purification Program* is projected to create a new, local, sustainable, drought proof drinking water supply utilizing state-of-the-art technology that could produce up to 30% of our water supply locally. This is a new water supply that provides greater reliability for East San Diego County and replaces imported water supplies from the State Water Project.

Padre Dam customers should not be penalized for good water resource management.

We must express our opposition to consideration of a revised Emergency Regulation that continues to focus solely on reducing water use and fails to recognize that public investment in sustainable supplies and commitment to water use efficiency must benefit the citizens and businesses that made those investments and achieved those water savings. Sustainable water supplies developed by local water agencies like Padre Dam reduce pressure on supplies, such as the State Water Project, that are susceptible to drought and make those supplies more available to areas of the state that have not made similar investments. Water saved by Padre Dam customers also provides the same supply benefits to other areas of the state. These are real, long term benefits the State has realized from investments made by local ratepayers. It is inconceivable to us that those that paid for these investments and achieved these savings may not fully benefit from them. We are efficiently using water and we are investing in sustainable supplies.

The Board must provide full credit for all sustainable water supplies in calculating an agency's urban water conservation target. This can be achieved by developing a state wide conservation target that first takes into account sustainable supplies available to retail water agencies and builds up to a state-wide target instead of a "one-size fits all" top down savings target that results in inequitable treatment of local agencies. If agencies that have proven to be water efficient are not able to use the supply they develop there is no incentive to produce new water supplies.

Padre Dam Supports the Governor's Water Action Plan

We believe our recommendation is consistent with and in support of the Governor's Water Action Plan. The Governor's Water Action Plan articulates a sound policy approach to achieving the goal of state-wide water reliability; it is an approach that is being implemented in Padre Dam's service area, in San Diego County and many other areas of the state. An Emergency Regulation that does not fully take into account and provide the benefit of local supplies to local agencies undermines the Governor's strategy and will have a chilling effect on sustainable supply development. This is a critically important issue and fundamental to the state's water future. It is deserving of very thoughtful consideration and deliberation by the Water Board.

The failure to fully account for these local supplies essentially results in the reversal of almost 30 years of public policy on water supply reliability in California. For decades water agencies in San Diego County and many other urban areas of California have been planning and implementing water supply projects while aggressively reducing water use. This has been pursued with the full support and encouragement of the state of California, its legislature and the administrations of every Governor over that time period. The Urban Water Management Planning Act and its numerous amendments has required local water suppliers to plan and if possible develop reliable local supplies as well as pursue water conservation. Every update of the State Water Plan (Bulletin 160) since 1993 has recognized as state policy the strategy of local supply development and diversification. Over the last 25 years, Bond Measures passed by the voters of California have time and time again provided hundreds of millions of dollars to local agencies to develop local supplies. Prop 1 approved by the voters in 2014 was the latest in a long line of bond measures funding local supply projects supported by the public.

An Emergency Regulation that does not take into account the development of these supplies in setting an agency's conservation target during a drought would undermine the ability of Padre Dam to implement our *Advanced Water Purification Project* and add this much needed new water supply to our local water resources portfolio. Although State funding is an important part of Padre Dam's financing plan for this project we must remind the Water Board that the vast majority of costs for sustainable local supplies fall to our local ratepayers. Without the full benefit of these supplies in times of shortage there is no incentive for local ratepayers to pay higher water bills. In that event, the state will not realize the benefits that our *Advanced Water Purification Project* and similar sustainable supply projects provide to users dependent on less reliable surface water supplies.

We urge you to consider the importance of new local sustainable water supplies when considering modifications to the Emergency Regulations.

Thank you for the opportunity to provide comments.

Sincerely,



Allen Carlisle
CEO/General Manager

cc: Padre Dam Board of Directors