Department of Water Resources
Michael L. Peterson, Director

SACRAMENTO COUNTY
WATER AGENCY

Including service to the Cities of
Elk Grove and Rancho Cordova

Transmitted by email to the Clerk of Board at: commentletters@waterboards.ca.gov

December 2, 2015

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

Subject: Comment Letter – Urban Water Conservation Workshop

Dear Chair Marcus and Board Members D'Adamo, Doduc, Moore and Spivey-Weber:

The Sacramento County Water Agency (SCWA) appreciates the concern of the State Water Resources Control Board in responding to this historic drought and we recognize the uncertainty of 2016 water supply conditions. We also share the desire of the State Water Board to ensure that adequate water supplies are available for all of the state's water users. Thank you for the opportunity to contribute to this discussion.

As a responsible steward of its resources, SCWA has a water management program in place that was designed to meet customer water demands in varying hydrologic year types, within the sustainable yield of the groundwater basin, while also working to preserve the fishery, wildlife, recreational, and aesthetic values of the lower American River. SCWA has invested over $960 million in advancing its conjunctive use program to provide a reliable and safe water supply for SCWA and Sacramento County's long-term growth and economic and environmental health. SCWA's conjunctive use program has helped in stabilizing and safeguarding the region's groundwater supply.

During the current drought period, SCWA's customers have responded to the emergency conservation measures by achieving some of the highest conservation levels in the region for both 2014 and 2015. SCWA voluntarily saved 17% in 2014, and subsequently saved over 37% during the current 2015 study period, compared to 2013 water use. However, the current Emergency Regulation has been especially onerous on SCWA, its customers, and the other water agencies in the Sacramento Region. The mandated conservation standard applied by the Water Board to SCWA is 32%;--well above the statewide goal of 25%.

The result of the Emergency Regulation is an inordinate economic burden for SCWA, and an inability to take advantage of the significant investment made in its conjunctive use program designed for these very conditions. In other words, our customers carry the cost burden of SCWA's conjunctive use program yet are precluded from receiving the benefit of that program toward helping to meet SCWA's 32% conservation requirement. Additionally, the ongoing loss of revenue resulting from compliance with the Emergency Regulation jeopardizes SCWA's

ongoing operations as well as future planned conjunctive use infrastructure and program implementation.

When the Emergency Regulation was developed and adopted last spring, time was of the essence as the state was experiencing an urgent and growing drought situation. However, the manner in which the conservation standards were applied often lacked any context to the nature of water supplies in a given region. The general application of the conservation standards has created disproportionate financial burden burdens among water purveyors, introduced additional economic instability across the state, and very likey will have impacts to critical vegetation and wild life habitat that will extend long after thiscurrent drought. With this in mind, SCWA strongly suggests thatrevisions to the Emergency Regulation are appropriate, necessary and urgently needed , should it be extended into 2016.

SCWA recommends the following modifications to the Emergency Regulation should it be extended into 2016, to address the regional differences in the state while still reaching the state's overall conservation goals:

- The modified regulation should include a relatively simple adjustment to water agencies' conservation standards to recognize the vast climatic differences in the state, similar to what the Regional Water Authority and the Association of California Water Agencies recommended to the State Water Board when the Emergency Regulation was first developed in early 2015.
- The modified regulation should recognize and promote regional water conservation efforts, by providing for a regional compliance option to meet conservation standards.
- The modified regulation should recognize the past development of drought resilient supplies in setting conservation standards.
- The modified regulation must be flexible and responsive to dynamic hydrologic conditions through the winter and spring of 2016.

SCWA appreciates the State Water Board's interest and commitment to improving the Emergency Regulation, should it be extended. SCWA shares the State Water Board's desire to effectively respond to this historic drought and will continue to invest in both long-term and drought conservation efforts. We support well-reasoned and defensible actions that will help each region of the state to respond effectively to the drought. As such, should any extension of theEmergency Regulations itshould include modificationsto incorporate the effects of climate on water usethe addition of the regional compliance option to increase equity and flexibility for water agencies. Pursuant to the State Water Board's request, detailed responses to the three questions in the Notice of Public Workshop, dated November 6, 2015, are attached.

Thank you for the opportunity to provide our comments. We look forward to continuing this important and timely discussion.

Sincerely,

Michael L. Peterson, P.E.
Agency Engineer
Sacramento County Water Agency

Attachment: SCWA Responses to Urban Water Conservation Workshop Questions

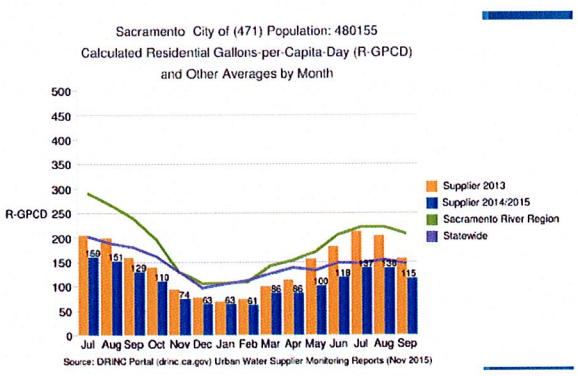
Attachment to Sacramento County Water Agency
Urban Water Conservation Workshop Comment Letter
December 2, 2015

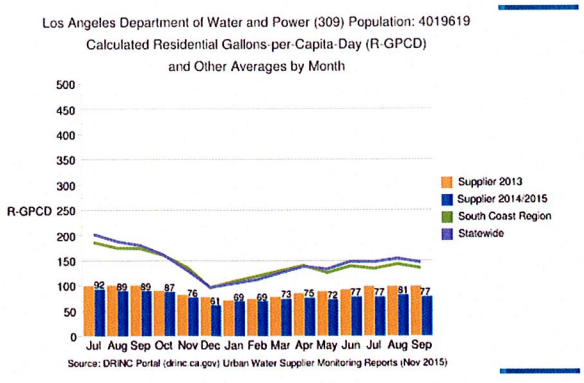
1. What elements of the existing Emergency Regulation, if any, should be modified in an extended Emergency Regulation?

Climate Adjustment - Any extended Emergency Regulation should be modified to recognize the effects of climate on water use by adjusting water agency conservation standards based on their relative evaportranspiration (ET) rates as compared to a statewide average ET rate. For example, water agencies with higher ET rates compared to the state average ET would receive a reduction in their current conservation standard. This modification would more accurately assess inefficient outdoor water use by first accounting for the differing biological water requirements of landscapes throughout the state. A low water use landscape still requires more water to survive in hotter, drier areas of the state when compared to cooler, wetter areas. More water doesn't correspond to waste.

In the Sacramento region, water use doubles in the summer when compared to winter water use. This seasonal change in demand increases a water agency's residential gallons per capita per day (R-GPCD) monthly figure in the summer months when compared to winter months and contributes to a higher yearly average R-GPCD. A climate adjustment will even out this variation in water demand and will result in all Californians making comparable commitments to water conservation. Inland residents shouldn't be expected to replace dead landscapes and lose trees, while those on the coast aren't similarly expected to stress their landscapes beyond recovery. The state has a vested interest in ensuring that landscapes survive the drought statewide.

The inequity of the current Emergency Regulation is exacerbated by the metric used for conservation standard setting. The Emergency Regulation applies a conservation standard based on peak summer water use, but that same standard must be achieved throughout the June through February period. Such a standard does not reflect the differences in seasonal water use in California (Figures). Water use directly varies with seasonal weather patterns, especially in inland areas. As a result, conservation standards as high as 36%, based on high summer water use, must be maintained throughout the fall and winter. Coastal communities are not impacted by this condition as their water use remains more uniform throughout the year.





With the recent reporting, the State Water Board now has a wider range of monthly R-GPCD figures. We recommend that the individual water agency R-GPCD figures that serve as the basis for assigning conservation standards be recalculated based on annual, rather than seasonal water use.

These adjustments to recognize climate as a driver of water use will increase the equity of the Emergency Regulation. They can be fairly applied to all water agencies. No water agency is untouched by the effects of climate. While watering nonessential landscape material such as ornamental turf grass is not a priority of the state in this drought, preserving higher value landscape materials such as trees and shrubs, playing fields, and defensible space around structures is a priority for maintaining quality of life, habitat, public safety and the overall health of the environment. Many inland water agencies and water customers now have to choose between meeting conservation standards and protecting their longer term priorities.

Regional Compliance - Any extended Emergency Regulation should incorporate a regional compliance option. A regional compliance option will achieve the same calculated water savings, but would promote increased regional coordination in public outreach messaging, regionally funded advertising buys, and joint conservation programs. The regional compliance option works by gathering a group of water agencies united by similar water sources, a common wholesale agency, media markets, or other local factors, calculating the required water savings for each participating agency and then rolling it up into a regional conservation standard. The participating water agencies then work towards collectively meeting the regional conservation standard. If the region collectively meets the regional conservation standard, all the participating water agencies are deemed successful at complying with the Emergency Regulation. If the region does not meet the regional conservation standard, the region is deemed not successful and the participating water agencies are still held accountable to their individual State Water Board assigned conservation standard.

This additional compliance option would not require any further changes to individual water agency conservation standards (beyond the climate adjustments above), baselines, or reported production figures and relies on voluntary participation from individual water agencies that choose to form a multiagency region. The regional compliance option maintains accountability while improving flexibility at the local level and strengthens regional partnerships that will be beneficial to the state of California beyond the drought.

2. What additional data, if any, should the State Water Board be collecting through the Emergency Regulation and how would it be used?

SCWA supports the State Water Board's current reporting efforts during this drought. The transparency and depth of the current available data is useful for both water agencies and policy-focused organizations. The monthly data collection allows for a steady stream of information on the state's conservation progress. The availability of this data also allows media outlets to continue to report on the drought. This increase in coverage keeps the need to conserve in the spotlight for the state's residents and businesses.

Regarding additional data collection, the State Water Board should first identify objectives to be achieved through data collection and then identify what supplementary data is available to achieve those objectives. New data should only be collected to support a new objective and the process should be clearly communicated to the water agencies. Water agencies already have numerous existing reporting responsibilities. New reporting requirements will involve additional staff time, redirecting time from other staff activities.

Additional reporting may be necessary depending on any modifications or additions that are formally adopted to an extended Emergency Regulation such as the regional compliance option. For example, a regional agency may be required to submit supplementary data to the State Water Board on behalf of the region's participating water agencies.

3. How should the State Water Board account for precipitation after January 2016 in its implementation of any extension of the Emergency Regulation?

An extended Emergency Regulation should reflect the water supply needs of the state. Unfortunately, the expiration of the current regulation in February is a difficult time to assess water supply conditions for 2016. Additionally, conditions will vary by region and water source. The arrival of a strong El Nino could magnify the variations between regions depending on how, when and where precipitation occurs. Continuation of high water conservation standards, in the absence of direct evidence of an extreme ongoing drought, will make it difficult to drive customer behavior to continue to achieve the conservation standards. Loss of the good faith efforts of California's residents will have a negative impact on both short and long-term water efficiency improvements.

While we recognize the intention of the State Water Board to adopt an extended Emergency Regulation to prepare for a continuing drought, we urge the State Water Board to create flexibility to adjust conservation standards based on periodic evaluations of water conditions.

At minimum, the State Water Board in partnership with the California Department of Water Resources, the United States Bureau of Reclamation and a statewide representation of water agencies should evaluate snowpack, reservoir levels, groundwater conditions, projected runoff, and available local supplies on April 1, 2016 to guide implementation of emergency regulations for the remainder of 2016. If conditions have improved from 2015, either statewide or regionally, the State Water Board should be prepared to modify the Emergency Regulation to adjust the state conservation standard, and therefore individual water agency conservation standards. The ultimate goal is to match a water supply need with a conservation standard to fulfill that need.

At the same time, the continued declaration of a drought emergency should be reassessed in partnership with the Governor's Office. The people of California are responding to the need to conserve on the premise that we are in an emergency situation. Continuing to hold Californians accountable to emergency drought conservation levels beyond what is necessary will diminish the trust between the state and its people, and between local water agencies and their customers. This trust will be needed to prepare for and respond to the inevitable future droughts that California will experience. Water agencies will continue to invest in water efficiency improvements to reduce longer-term water demand without the driver of emergency regulations.

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