

General Manager

Robert S. Roscoe, P. E.



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**(12/7/15) Public Workshop
Urban Water Conservation
Deadline: 12/2/15 by 12:00 noon**

December 1, 2015



Felicia Marcus, Chair
State Water Resources Control Board
1001 I Street
Sacramento, CA 95814

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

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

The State Water Resources Control Board's (SWRCB) continued leadership in responding to this historic drought is appreciated. The Sacramento Suburban Water District (SSWD) recognizes the uncertainty of 2016 water supply conditions and the need of the SWRCB to ensure adequate water supplies for all of the state's water users. SSWD appreciates this opportunity to share its experiences managing the drought and the measures we have taken to manage our water supply in preparation of times such as this unprecedented drought. Our comments on considering changes to the SWRCB's Emergency Regulations for Statewide Urban Water Conservation (Drought Regulation) are summarized below.

The SWRCB Drought Regulations must allow purveyors which have invested in storing water during wet times, for use during dry times, to access those investments.

SSWD was formed in 2002 by the merger of two long-standing Sacramento-area water districts. Those districts historically relied entirely on pumped local groundwater as their water supply. As a result of this pumping, and the pumping of others in the Sacramento Region, the local basin - the Sacramento County portion of the North American Subbasin - experienced significant declines in groundwater levels. Beginning in the late 1990s, and continuing after SSWD's formation, SSWD began to invest roughly \$120 million of ratepayer funds in the infrastructure necessary for the acquisition of surface water supplies to stabilize the local groundwater and to create a conjunctively managed bank of in-lieu recharged water that could be used during dry years to drought-proof water supplies for SSWD customers. Through use of these significant investments, over the past decade SSWD has created approximately 180,000 acre-feet in banked groundwater over and above the SSWD's obligations to the groundwater basin as determined by the Sacramento Groundwater Authority. SSWD customers should be allowed to access this banked water in drought times as that is precisely why those investments were made. To not allow access to water banked for drought response, punishes foresighted water management and strands SSWD's significant investments.

In calculating gallons per capita per day, gallons must be measured at the point the water is removed from the natural environment.

The SWRCB's Drought Regulations should not ignore the dramatic differences in how much water is lost

in conveyance to a water suppliers' service area. While distribution system losses are included in gpcd calculations, transmission system losses are inexplicably excluded. Groundwater production is measured at the wellhead, the point the water is removed from the natural environment. Surface water supplies should be measured at the point of diversion, not where the water leaves the treatment plant. In times of drought, emergency regulations are required as there is insufficient water supply for both human and environmental needs. Ignoring the sometimes significant water losses in transmission, ignores the true impact on the natural environment, and does not incentivize investments in reducing those losses. Further, it ignores the California Water Action Plan's goal of supporting local water supply development.

Differences in climate must be considered.

Since the Drought Regulations were implemented, water users in the Sacramento Region have responded to the drought by consistently achieving some of the highest conservation levels in the state in both 2014 and 2015. To date in 2015, we have cumulatively exceeded our 32% target compared to the same months in 2013. SSWD customers met the challenge following years of continued education on the importance of conserving, and they understand that because of longer periods of drought, water is an ever more critical resource in California.

The current Drought Regulation has placed a burden of economic losses on inland parts of the state, such as the Sacramento Region, in the form of dead and dying landscapes and trees, and a financial burden on water agencies in the form of lost revenues. SSWD is estimating revenues being reduced by \$2.3 million in 2015.

The inequitably applied conservation standards are leading to conditions that are harming the trees that make up our urban forests. Turf is easily replaced; however, maintaining mature trees, which take a long time to grow and which provide clear benefits to the environment, contribute to energy savings, stormwater capture, improved air quality, wildlife habitat, controlling erosion and cooling the environment. Especially important, trees provide a cooling effect on the man-made "heat islands" of city and urban growth. The impact on our urban forests as a result of the extreme savings imposed by these regulations will be a sad legacy that would extend far beyond this current drought, but this outcome can be avoided.

We recommend the following modifications to the Drought Regulation, should it be extended into 2016, to reduce the inequity between regions of the state, while still reaching the state's goals:

- The 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 SWRCB when the Drought Regulation was first developed in early 2015.
- The regulation should recognize and promote regional water conservation efforts by providing for a regional compliance option to meet conservation standards.
- The regulation should recognize the past development of drought resilient supplies in setting conservation standards.
- The regulation must be flexible and responsive to dynamic hydrologic conditions through the winter and spring of 2016.

In conclusion, when the Drought Regulation was developed and adopted last spring, time was of the essence. The vast majority of water agencies responded by meeting or exceeding their assigned conservation standards over the critical summer months. We appreciate the SWRCB's commitment to taking the time necessary to improve the Drought Regulation should it be extended. SSWD and the Sacramento Region's water agencies share the SWRCB's desire to effectively respond to this historical drought. We continue to invest in both long-term and drought conservation efforts. We support extending appropriate Drought Regulations if the ongoing drought constrains water supplies in our region. The modification of the Drought Regulation to incorporate the effects of climate on water use, measurement of all water supplies at the original point of diversion, and considering investments in drought-proofing water supplies through groundwater storage will increase equity and flexibility for water agencies and will ultimately allow for a more effective statewide drought response.

Per the SWRCB's request, detailed responses to the three questions in the Notice of Public Workshop dated November 6, 2015 are provided below.

Thank you for the opportunity to provide our comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert S. Roscoe". The signature is fluid and cursive, with a long horizontal stroke at the end.

Robert S. Roscoe
General Manager

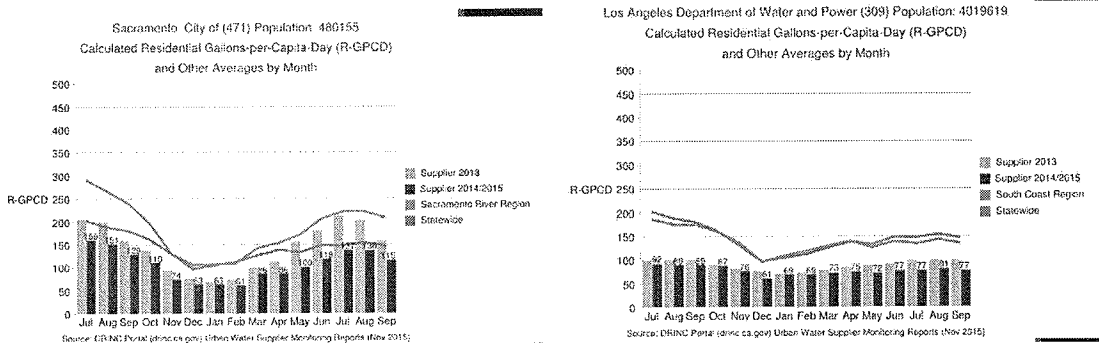
cc: Senator Jim Nielsen
Senator Richard Pan
Assemblywoman Beth Gaines
Assemblyman Ken Colley
Assemblyman Kevin McCarty

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

Climate Adjustment - Any extended Drought Regulation should be modified to recognize the effects of climate on water use by adjusting water agency conservation standards based on their relative evapotranspiration (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 Drought Regulation is exacerbated by the metric used for conservation standard setting. The Drought 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 SWRCB 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 Drought 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 are having to choose between meeting conservation standards and protecting their longer term priorities.

Regional Compliance - Any extended Drought 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 Drought 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 SWRCB 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.

Measuring all water supplies where the water is removed from the natural environment – For groundwater this means at the wellhead, as it is currently established. For surface water, this means at the original point of diversion, not at the outlet of the surface water treatment plant, which ignores the potentially significant losses in transmission from the point of diversion to the treatment facility.

Provide an allowance for purveyors who have invested in developing significant groundwater banks and can withdraw water to meet customer demands while maintaining a sustainable groundwater basin – To not do so strands significant investments in conjunctively managing surface and groundwater, and unjustly punishes purveyors who have banked surface water in groundwater basins for just such drought occurrences.

2. What additional data, if any, should the SWRCB be collecting through the Drought Regulation and how would it be used?

SSWD supports the SWRCB'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 SWRCB 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 Drought Regulation such as the regional compliance option. For example, a regional agency may be required to submit supplementary data to the SWRCB on behalf of the region's participating water agencies.

3. How should the SWRCB account for precipitation after January 2016 in its implementation of any extension of the Drought Regulation?

An extended Drought 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 SWRCB to adopt an extended Drought Regulation to prepare for a continuing drought, we urge the SWRCB to create flexibility to adjust conservation standards based on periodic evaluations of water conditions.

At minimum, the SWRCB 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 SWRCB should be prepared to modify the Drought 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.