



Memo

To: Board of Directors
From: Karl B. Drew
Date: July 11, 2014
Subject: State Water Board Proposed Emergency Water Conservation Regulations

On July 8, 2014, the California Water Boards announced that the State Water Board will be considering proposed emergency regulations at its July 15th meeting. These proposed Emergency Water Conservation Regulations are on a fast track with proposed implementation on August 1, 2014 if approved. Attached is information we have received regarding the proposed regulations, as well as additional data regarding our water usage and CLAWA's comment letter. Also attached is a copy of the District's current Water Conservation Program.

The attached Fact Sheet gives a good overview of the proposed regulations. If approved, the District will be required to implement the appropriate Phase of its Water Conservation Program that includes the four required water use restrictions.

Three of the four restrictions are implemented in Phase II of our program and the fourth element is not currently required by the District.

1. The direct application of water to any hard surface for washing. **(Implemented in Phase II)**
2. Watering of outdoor landscapes that cause runoff to adjacent property, non-irrigated areas, private and public walkways, roadways, parking lots or structures. **(Phase II)**
3. Using a hose to wash an automobile, unless the hose is fitted with a shut-off nozzle. **(Phase II)**
4. Using potable water in a fountain or decorative water feature, unless the water is recirculated. **(Not addressed in current Water Conservation Program. Using water in or filling of fountain or pond is prohibited, except when using recycled or reclaimed water, in Phase III)**

The District will need to modify its Water Conservation Program to add item 4 if the emergency regulations are approved. I would recommend that it be added to Phase I of our program.

I have prepared a worksheet which compares our water production in calendar year 2014 to 2013. Through six months, we have reduced the total amount of water put into the system by

30.1 AF or 8.75%. Well production has decreased by 58.2 AF or 27.2% and purchases of water from CLAWA has increased by 28.1 AF or 21.7%. We have produced 49.6% of our water supply from our wells during this six month period. July and August are typically our highest demand months.

I have also updated our Gallons Per Capita Daily (GPCD) calculations on an annual basis through 2013. Our 5 year average is 85.62 GPCD and the 10 year average is 87.21 GPCD. In 2013, the number was 90.78 GPCD and in 2012, it was 82.65. The increase from 2012 to 2013 was mostly due to the leak on Springwater Drive that went undetected for most of the year. GPCD is calculated on the total water put into water system and divided by the total full-time population. It will be interesting to see how it calculates in 2014 since Lake Gregory is being heavily promoted and there are a lot of visitors to our community this summer. As part of the emergency regulations, we will be required to report our GPCD on a monthly basis to the State.

Implementation: The information received by the State does not give a time frame for the District to implement the next Phase of its Water Conservation Program. Urban water suppliers, who do not have a Plan, have 30 days to implement a program to comply. It would seem reasonable that we would have 30 days from August 1, 2014 to modify our Water Conservation Program and implement Phase II of our program. We will be monitoring the situation and will ask the Board to take action before our August 19 Board meeting if necessary.



Fact Sheet

The State Water Board to Consider Proposed Emergency Water Conservation Regulations

On January 17 Governor Edmund G. Brown Jr. issued a drought emergency proclamation following three dry or critically dry years in California. [Extreme drought now covers nearly 80 percent of the state](#) and these conditions will likely continue into the foreseeable future.

More than, 400,000 acres of farmland are expected to be fallowed, thousands of people may be out of work, communities risk running out of drinking water and fish and wildlife species are in jeopardy. Many communities are down to 50 gallons a day or less per person for basic sanitation needs. With our inability to predict the effect of the next rainy season, water saved today can improve a region's water security and add flexibility to systems that may need to withstand another year or more with precipitation below average.

There are many ways to boost local water supplies such as recycling treated wastewater and reusing some household or industrial water onsite. However, conservation is the easiest, most efficient and most cost effective way to quickly reduce water demand and extend supplies into the next year, providing flexibility for all California communities. In a survey conducted by the State Water Board in June, while many communities have significantly reduced their water demand over time, it is clear that more can be done.

Conservation Actions Needed

Because of these dire conditions and the need to conserve more, the State Water Resources Control Board (State Water Board) is proposing that individuals and water agencies take necessary steps to conserve water supplies both for this year and into 2015, and is recommending that individuals and water agencies do even more voluntarily to manage our precious water resources.

Most Californians use more water outdoors than indoors. In some areas, 50 percent or more of our daily water use is for lawns and outdoor landscaping. Some urban communities have been investing in conservation, particularly indoors, for years, but reducing the amount of water used outdoors can make the biggest difference of all.

The proposed emergency conservation regulations are primarily directed at reducing outdoor urban water use.



These emergency conservation measures target both individual water use, by identifying the practices from which every Californian should abstain during this drought emergency, as well as the steps that local water suppliers should be taking to reduce water demand in their service areas. These restrictions set a minimum level of effort in this time of emergency and everyone should do more voluntarily. As the drought wears on, the State Water Board may revisit these regulations and consider other measures.

Temporary Water Restrictions

All Californians will be affected by the ongoing drought conditions in one form or another, especially if these conditions persist or worsen in 2015. To promote water conservation statewide, the emergency regulations would prohibit each of the following, except in case of health or safety needs or to comply with a term or condition in a permit issued by a state or federal agency:

- The direct application of water to any hard surface for washing.
- Watering of outdoor landscapes that cause runoff to adjacent property, non-irrigated areas, private and public walkways, roadways, parking lots or structures.
- Using a hose to wash an automobile, unless the hose is fitted with a shut-off nozzle.
- Using potable water in a fountain or decorative water feature, unless the water is recirculated.

Violations of prohibited activities are considered infractions and are punishable by fines of \$500 for each day in which the violation occurs. Any employee of a public agency charged with enforcing laws may write and issue a ticket to the violator.

Action by Urban Water Suppliers Required

To reduce water demand, the regulations would require urban water suppliers to implement their Water Shortage Contingency Plans at a level that triggers mandatory restrictions on outdoor water use. Almost all urban water suppliers (those with more than 3,000 water connections) have these plans; about 40 of these larger agencies do not.

If an urban water supplier does not have a Water Shortage Contingency Plan or its Plan does not meet the requirements of the water code, the supplier must, within 30 days, require customers to limit outdoor irrigation to no more than two days per week or implement another mandatory conservation measure to achieve a comparable reduction in water consumption by the people it serves relative to the amount consumed in 2013.

Water suppliers serving fewer than 3,000 connections must also, within 30 days, require customers to limit outdoor irrigation to no more than two days per week or implement another mandatory conservation measure to achieve a comparable reduction in water consumption by the people it serves relative to the amount consumed in 2013.

Urban water suppliers that violate mandatory actions could be subject to cease and desist orders for violating emergency regulations with fines up to \$10,000 per day per violation. Or, the matter could be referred to the Attorney General's office for further action.

Keeping Track of Urban Water Use

Each urban water supplier will keep track of its water use and compare it to the same period last year. Reports that include the amount of potable water the supplier produced in the preceding month and an estimate of gallons of water per person per day used by its customers will be submitted to the State Water Board by the 15th of each month.

Looking Forward

The State Water Board is providing the following tips to water suppliers to educate their customers about the new requirements:

- Retail water suppliers should provide notice of the regulations in English and Spanish in one or more of the following ways: newspaper advertisements, bill inserts, website homepage, social media, notices in public libraries;
- Wholesale suppliers should include reference to the regulations in all of their customer communications;
- All water suppliers should provide signage where recycled or reclaimed water is being used for activities that the emergency regulations prohibit with the use of potable water, such as operation of fountains and other water features;
- All water suppliers should train personnel on the regulations; and
- All water suppliers should set conservation targets, measure their service area's progress and make this information available to their customers.

In addition to letting customers know about the new requirements, water suppliers should also:

- Have an easy way for customers to report leaks and water waste via phone or electronic submittal (website form, or email); and
- Request that police and fire departments and other local government personnel report leaks and water waste they encounter during their routine duties/patrols

If drought conditions continue, additional actions by the State Water Board and local water suppliers will likely be necessary to further increase conservation. All water suppliers are encouraged to be prepared and plan for a possible dry 2015 now.

Next Steps

The proposed emergency regulations will be considered by the State Water Board at its July 15th meeting. Written comments are due by 12 noon on July 14, 2014. If adopted and subsequently approved by the Office of Administrative Law, they would go into effect on or about August 1st.

State Water Resources Control Board

NOTICE OF PROPOSED EMERGENCY RULEMAKING
July 8, 2014

Prohibition of Activities and Mandatory Actions During Drought Emergency

Required Notice of Proposed Emergency Action

Government Code section 11346.1, subdivision (a)(2) requires that, at least five working days prior to submission of a proposed emergency regulation to the Office of Administrative Law (OAL), the adopting agency must provide a notice of the proposed emergency action to every person who has filed a request for notice of regulatory action with the agency. After the submission of the proposed emergency action to OAL, OAL shall allow interested persons five calendar days to submit comments on the proposed emergency regulations as set forth in Government Code section 11349.6. This document and the accompanying information provide the required notice.

Proposed Emergency Action

On January 17, 2014, Governor Brown declared a drought state of emergency. On April 25, 2014 the Governor signed an Executive Order calling on the State to redouble state drought actions. Among other things, the Executive Order provides that: "The Water Board shall direct urban water suppliers that are not already implementing drought response plans to limit outdoor irrigation and other wasteful water practices such as those identified in this Executive Order. The Water Board will request by June 15 an update from urban water agencies on their actions to reduce water usage and the effectiveness of these efforts. The Water Board is directed to adopt emergency regulations as it deems necessary, pursuant to Water Code section 1058.5, to implement this directive."

On May 23, 2014 the State Water Board issued a survey to more than 400 urban water suppliers inquiring on the implementation of their urban water conservation actions and the effectiveness of those actions. The State Water Board's June 17, 2014 meeting included an informational update on the survey results and a description of urban water conservation efforts being carried out by certain urban water suppliers.

Water Code section 1058.5 grants the State Water Board the authority to adopt emergency regulations in certain drought years in order to: "prevent the waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion, of water, to promote water recycling or water conservation, to require curtailment of diversions when water is not available under the diverter's priority of right, or in furtherance of any of the foregoing, to require reporting of diversion or use or the preparation of monitoring reports."

On July 15, 2014, the State Water Board will consider a proposed resolution adopting emergency regulations adding new sections to Title 23 of the California Code of Regulations. The proposed emergency regulations include a prohibition on certain classes of water use, an order for all urban water suppliers to implement mandatory conservation measures, and an order for water suppliers with 3,000 or more service connections to provide monthly data on water production.

Proposed Text of Emergency Regulations

See the attached proposed text of the emergency regulations.

Finding of Emergency (Gov. Code, § 11346.1, subd. (b))

The State Water Board finds that an emergency exists due to severe drought conditions, as identified in the Governor's drought emergency proclamations. Immediate action is needed to effectively increase water conservation so that remaining supplies are maintained to address the present drought emergency. The State Water Board's May 2014 Drought Survey results demonstrated that urban water conservation efforts could be augmented to minimize the potential risks of threatened severe supply shortages. In addition, the current extent of voluntary conservation goals established by many urban water suppliers will not provide for timely and effective attainment of the State's conservation needs, which include the maintenance of remaining supplies. Without adequate reserves, water suppliers will be unable to address the drought emergency. The emergency regulation improves the State Water Board's and local agencies' abilities to quickly and effectively implement and enforce mandatory water conservation measures during the current drought to help preserve the State's supplies during the drought emergency.

The State Water Board is unable to address the situation through non-emergency regulations because the standard rulemaking process cannot timely address the current severe drought emergency that is the focus of these regulations. Furthermore, the Governor's April 25, 2014 Executive Order orders the State Water Board to adopt emergency regulations pursuant to Water Code section 1058.5 to address the issues that are the focus of these regulations.

Authority and Reference (Gov. Code, § 11346.5, subd. (a)(2))

Water Code sections 1058 and 1058.5 provide authority for the emergency regulations. The revised emergency regulations implement, interpret, or make specific Water Code sections 102, 104, 105, 350, 10617, and 10632.

Informative Digest (Gov. Code, § 11346.5, subd. (a)(3))

At present, there is no statewide prohibition on individual activities to promote conservation. There is also no law or regulation requiring urban water suppliers to affirmatively adopt drought shortage contingency plans, implement specific stages of their drought shortage contingency plans, or report the amount of water they produce to the state. There is also no law or regulation requiring distributors of public water supplies who are not urban water suppliers to adopt water shortage contingency plans, limit outdoor irrigation by their customers, or implement other mandatory conservation measures. The proposed regulation constitutes the first statewide directive to individuals and to urban water suppliers to undertake specific actions to respond to the drought emergency; consequently, the proposed regulation is consistent and compatible with existing regulations on this subject. The proposed regulation neither differs from nor conflicts with an existing comparable federal statute or regulation.

The proposed regulation is intended to safeguard urban water supplies in the event of another dry year. It is both reasonable and prudent to maintain urban water supplies to the maximum extent feasible to provide local agencies with the necessary flexibility to meet the health and safety needs of Californians during the drought emergency. California has been subject to multi-year droughts in the past and there is no guarantee that precipitation this winter will lift the State out of the current drought conditions. Moreover, climate change science indicates that the Southwestern United States are becoming drier, increasing the likelihood of prolonged droughts. In addition, drought conditions have already forced the State Water Board to curtail surface water diversions, and many groundwater basins around the state are already in overdraft conditions that will likely worsen due to groundwater pumping this summer. Many water supply systems face a present or threatened risk of inadequate supply. Should drought conditions

persist into 2015, more water supply systems will be at risk of depleting supplies, presenting a great risk to the health and safety of the people supplied by those systems. Maintaining urban water supplies through enhanced conservation will reduce the risks to health and safety and reduce negative impacts to the State's economy.

Each of the specific prohibitions on water uses is necessary to promote water conservation to maintain an adequate supply during the drought emergency, which cannot be done if water is being used in an excessive or wasteful manner. These prohibitions affect practices that use excessive amounts of water or where more efficient and less wasteful alternatives are available. These practices are particularly unreasonable during a drought due to the need to conserve limited water supplies to meet health and safety needs. Consequently, the proposed regulation will further protection of the environment.

Additional benefits will be realized should the Board adopt the proposed regulations. These benefits include the following:

- Reduced water bills for customers that reduce water use (some of these savings will generate additional economic activity, such as investments in drought-tolerant landscaping);
- Increased water quality in receiving waters due to lower runoff volumes;
- Increased drought awareness and shared sense of responsibility among urban water users;
- More effective tracking of total urban water use; and
- Reduced potential for severe economic disruption if 2015 is another dry year.

The proposed emergency adoption of section X sets forth the State Water Resources Control Board's findings of drought emergency. The proposed emergency adoption of section X.1 directs individuals statewide to refrain from engaging in certain activities to promote conservation to meet the drought emergency. The proposed emergency adoption of section X.2 directs urban water suppliers to report information to the Board and to take actions to promote conservation and directs all other water suppliers to take actions to promote conservation.

Proposed Section X sets forth the Board's findings of drought emergency, noting the Governor's adoption of two emergency proclamations pertaining to drought conditions, the persistence of drought conditions, the dry nature of the preceding two years, and the likelihood that drought conditions will continue.

Proposed Section X.1 prohibits several activities, except where necessary to address an immediate health and safety need or to comply with a term or condition in a permit issued by a state or federal agency, to promote conservation. The section prohibits the application of water to outdoor landscapes in a manner that causes visible runoff, the use of a hose to wash an automobile except where the hose is equipped with a shut-off nozzle, the application of water to hardscapes, and the use of potable water in non-recirculating ornamental fountains.

Proposed Section X.2 directs urban water suppliers to implement the stage of their water shortage contingency plans that impose mandatory restrictions on outdoor irrigation, requires those urban water suppliers without adequate drought shortage contingency plans to adopt them or other measures to promote conservation within thirty days, and report monthly water production information to the Board. The section also directs distributors of public water supplies that are not urban water suppliers to either limit outdoor irrigation or implement another mandatory conservation measure or measures to achieve conservation.

Other Matters Prescribed by Statute (Gov. Code, § 11346.5, subd. (a)(4))

The proposed emergency regulation would be adopted in response to conditions which exist, or are threatened, in a critically dry year immediately preceded by two or more consecutive below normal, dry, or critically dry years or during a period for which the Governor has issued a proclamation of a state of emergency under the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code) based on drought conditions.

Local Mandate (Gov. Code, § 11346.5, subd. (a)(5))

The State Water Resources Control Board has determined that adoption of proposed sections X and X.1 does not impose a new mandate on local agencies or school districts. The sections are generally applicable law.

The State Water Resources Control Board has further determined that adoption of proposed section X.2 does not impose a new mandate on local agencies or school districts, because the local agencies affected by the section have the authority to levy service charges, fees, or assessments sufficient to pay for the mandate program or increased level of service. (See Gov. Code, § 17556.)

Estimate of Cost or Savings (Gov. Code, § 11346.5, subd. (a)(6))

Increased urban water conservation will result in reduced water use, which in turn will result in reduced water sales and lost revenue for urban water suppliers. This loss in revenue will be a function of the amount of water conserved (and therefore not sold) and the unit price that water would have sold for. In addition to lost revenue from reduced water sales, urban water suppliers will also incur costs associated with water production reporting as required by the proposed emergency regulations. The State Water Board estimates that local agencies that are urban water suppliers could collectively realize as much as \$438,185,664 in lost revenue as a result of implementing the proposed regulations. Additionally, the reporting costs to local government are estimated to be \$1,029,600. The total costs to local government are therefore estimated to be \$439,215,264, which is the sum of estimated lost revenues and the estimated reporting costs.

Implementation of the proposed emergency regulations will result in additional workload for the State Water Board and possibly for the Department of Water Resources, however, this work will be accomplished through redirection of resources within existing agency budgets. Significant costs or saving for State agencies are therefore not anticipated.

The above summary information is explained in greater detail in the State Water Board's Emergency Regulations Digest, which is attached.

Emergency Regulations Digest (Gov. Code , § 11346.1, subd. (b))

Prohibition of Activities and Mandatory Actions During Drought Emergency

FINDING OF EMERGENCY

The State Water Resources Control Board (State Water Board or Board) finds that an emergency exists due to severe drought conditions and that adoption of the proposed emergency regulation is necessary to address the emergency. California is currently in the third year of a significant drought resulting in severe impacts to California's water supplies and its ability to meet all of the demands for water in the State. On January 17, 2014, Governor Edmund G. Brown, Jr. declared a drought state of emergency. On April 25, 2014 the Governor signed an Executive Order stating, among things, "*...that severe drought conditions continue to present urgent challenges: water shortages in communities across the state, greatly increased wildfire activity, diminished water for agricultural production, degraded habitat for many fish and wildlife species, threat of saltwater contamination of large fresh water supplies conveyed through the Sacramento-San Joaquin Bay Delta, and additional water scarcity if drought conditions continue into 2015.*" Immediate action is needed to ensure water suppliers and all Californians are taking sufficient actions to conserve water and preserve the State's water supply. Due to these concerns, the April 25, 2014 Executive Order, directs the State Water Board to adopt emergency regulations as it deems necessary, pursuant to Water Code section 1058.5, to ensure that urban water suppliers implement drought response plans to limit outdoor irrigation and other wasteful water practices.

Authority for Emergency Regulations

Water Code section 1058.5 grants the State Water Board the authority to adopt emergency regulations in years when the Governor has issued a proclamation of emergency based upon drought conditions or when in response to drought conditions that exist, or are threatened, in a critically dry year immediately preceded by two or more consecutive below normal, dry, or critically dry years. The Board may adopt regulations under such circumstances to: "prevent the waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion, of water, to promote water recycling or water conservation, to require curtailment of diversions when water is not available under the diverter's priority of right, or in furtherance of any of the foregoing, to require reporting of diversion or use or the preparation of monitoring reports."

Emergency regulations adopted under Water Code section 1058.5 may remain in effect for up to 270 days. Per Water Code section 1058.5, subdivision (b), any findings of emergency the Board makes in connection with the adoption of an emergency regulation under the section are not subject to review by the Office of Administrative Law.

Government Code section 11346.1, subdivision (a)(2) requires that, at least five working days prior to submission of the proposed emergency action to the Office of Administrative Law, the adopting agency provide a notice of the proposed emergency action to every person who has filed a request for notice of regulatory action with the agency. After submission of the proposed emergency regulations to the Office of Administrative Law, the Office of Administrative Law shall allow interested persons five calendar days to submit comments on the proposed emergency regulations as set forth in Government Code Section 11349.6.

Emergency Regulations Digest (Gov. Code , § 11346.1, subd. (b))

The information contained within this finding of emergency provides the information necessary to support the State Water Board's emergency rulemaking under Water Code section 1058.5 and also meets the emergency regulation criteria of Government Code section 11346.1 and the applicable requirements of section 11346.5.

Evidence of Emergency

The U.S. Drought Monitor currently classifies the entire state of California as experiencing severe to exceptional drought conditions. In most years, California receives about half of its precipitation in the months of December, January and February, with much of that precipitation falling as snow in the Sierra. A handful of large winter storms can make the difference between a wet year and a dry one. In normal years, the snowpack stores water during the winter months and releases it through melting in the spring and summer to replenish rivers and reservoirs and recharge aquifers. However, relatively dry weather conditions this year have reduced the amount of snowpack in California's mountains. Each of this season's first four snow surveys – conducted in early January, late January, late February and early April – found a statewide snowpack water equivalent far below average for the dates of the surveys. The 2014 statewide snowpack began melting and running into the state's watercourses in early April. After reaching a peak of 10.1 inches, the snowpack had almost completely melted away by late May.

Rainfall also has been far below normal during this water year as recorded by weather stations throughout the state. Despite a few storms that brought rain in February and March, electronic readings indicate that precipitation at eight Northern California stations was only about 60 percent of normal for late April. The electronic readings for San Joaquin stations show even drier conditions there – less than 50 percent of normal precipitation from October 1 to late May. As of May 31, statewide precipitation was 55 percent of average to date; runoff was 35 percent of average to date; and snow water equivalent was three percent of average for the date (one percent of the April 1 average).

Due to these drought conditions and dry conditions for the past several years, storage in California's reservoirs is also at below average levels, at 65 percent of average for the state at the end of May. Current storage levels in key reservoirs reflect this trend. Shasta Lake, California's and the Central Valley Project's (CVP) largest reservoir, is at 45 percent of its 4.5 million acre-feet (MAF) capacity (54 percent of its historical average for this date). Lake Oroville, the State Water Project's (SWP) principal reservoir, is at 47 percent of its 3.5 MAF capacity (57 percent of its historical average for the date). Trinity Reservoir is at 47 percent of its 2.4 MAF capacity (54 percent of historical average). San Luis Reservoir, a critical south-of-Delta reservoir for both the SWP and CVP, is at 38 percent of its 2 MAF capacity (52 percent of average for this date). Folsom Reservoir is at 53 percent of its 1 MAF capacity (64 percent of average for this date). New Melones Reservoir is at 32 percent of its 2.4 MAF capacity (50 percent of average for this date). New Don Pedro Reservoir is at 52 percent of its 2 MAF capacity (67 percent of average for this date) and Lake McClure is at 29 percent of its 1 MAF (42 percent of average for this date).

Emergency Regulations Digest (Gov. Code , § 11346.1, subd. (b))

Local, state and federal water agencies across California have limited supplies due to the drought. In response, those agencies have taken various actions, including reducing or eliminating contract water deliveries and implementing mandatory and voluntary conservation efforts. A total of 46 Emergency Proclamations addressing the drought are known to have been issued by city, county, special districts, and tribal governments. The State's two major water supply projects, the CVP and SWP, have also announced severe reductions in contract deliveries. The United States Bureau of Reclamation (Reclamation) has announced that its regular CVP agricultural contractors will receive no deliveries in 2014 and its municipal and industrial contractors will receive 50 percent of their historic use. The Department of Water Resources (DWR) has announced that its deliveries to its regular SWP contractors will be reduced to five percent for both municipal and agricultural contractors. Senior SWP contractors have also received less than their full contract amounts. In addition to water supply reductions and conservation efforts, many water users have requested and received approvals for changes to regulatory requirements, including water right requirements, to extend limited supplies. Many water users have also pursued water transfers and purchases from willing sellers to make up for reduced supplies.

Need for the Regulation

Immediate action is needed to effectively increase water conservation so that remaining supplies are maintained to address the ongoing drought emergency. The State Water Board's May 2014 Drought Survey results demonstrated that urban water conservation efforts could be augmented to minimize the potential risks of threatened severe supply shortages. In addition, current voluntary conservation goals established by many urban water suppliers will not provide for timely and effective attainment of the State's conservation needs, which include the maintenance of remaining supplies. Without adequate reserves, water suppliers will be unable to address the drought emergency. The emergency regulation improves the State Water Board's and local agencies' abilities to quickly and effectively implement and enforce mandatory water conservation measures during the current drought emergency to help preserve the State's supplies throughout a continuing drought that could last through 2015 or beyond.

Description and Effect of Proposed Regulation

The proposed regulation consists of three requirements: a prohibition on certain types of water use, an order for all urban water suppliers to implement mandatory conservation measures, and an order for water suppliers with 3,000 or more service connections to provide monthly data on water production. These requirements are intended to preserve urban water supplies. It is both reasonable and prudent to preserve urban water supplies to the maximum extent feasible to provide local agencies with the necessary flexibility to meet the health and safety needs of Californians during the drought emergency. California has been subject to multi-year droughts in the past and there is no guarantee that precipitation this winter will lift the State out of the current drought conditions. Moreover, climate change science indicates that the Southwestern United States are becoming drier, increasing the likelihood of prolonged droughts. In addition, drought conditions have already forced the State Water Board to curtail surface water diversions, and many groundwater basins around the state are already in overdraft conditions

Emergency Regulations Digest (Gov. Code , § 11346.1, subd. (b))

that will likely worsen due to groundwater pumping this summer. Many water supply systems face a present or threatened risk of inadequate supply. Should drought conditions persist into 2015, more water supply systems will be at risk of depleting supplies, presenting a great risk to the health and safety of the people supplied by those systems. Maintaining urban water supplies through enhanced conservation will reduce the risks to health and safety and reduce negative impacts to the State's economy.

Each of the specific prohibitions on water uses is necessary to promote water conservation to maintain an adequate supply during the drought emergency, which cannot be done if water is being used in an excessive or wasteful manner. These prohibitions affect practices that use excessive amounts of water or where more efficient and less wasteful alternatives are available. These practices are particularly unreasonable during a drought due to the need to conserve limited water supplies to meet health and safety needs. Exceptions to meet immediate health and safety concerns or to comply with state or federal permit requirements are available, however.

A prohibition on runoff of outdoor irrigation water is necessary to promote water conservation to address the drought emergency. Irrigating residential, commercial, industrial, and recreational landscapes to the point of visible runoff is an excessive use of water and more efficient alternatives are available. This practice depletes water supplies, whose maintenance is critical during a drought for health, safety, and, in some cases, operational flexibility. Runoff enters the storm drain system or evaporates, and does not provide for domestic use, sanitation, or fire protection, which are the primary needs that public water supply distributors must meet during drought periods. (Wat. Code, § 354.)

A prohibition on vehicle washing with a running hose (a hose that is not equipped with a shut-off nozzle) promotes water conservation to address the drought emergency through the use of more efficient and effective washing techniques and options. Washing cars at commercial car wash establishments—which are widely distributed throughout the state--or manual washing with a small amount of water in a bucket or with a hose equipped with a shut-off nozzle are efficient and reasonable techniques for those with a need to wash a vehicles.

A prohibition on watering of hardscapes, such as driveways, sidewalks, and asphalt, promotes water conservation to address the drought emergency through the use of more efficient and effective cleaning methods for hardscapes. For example, many hardscapes can be cleaned with a broom, thus conserving water for other uses during a time of extreme scarcity.

A prohibition on the use of potable water without recirculation pumps for fountains and other decorative water fixtures promotes water conservation to address the drought emergency through saving water that would evaporate, leak, or not be reused. In addition, ornamental water fixtures do not provide for domestic use, sanitation, or fire protection, and therefore do not promote a use of paramount importance during the drought emergency.

The proposed regulation to require urban water suppliers with 3,000 or more service connections to implement their Water Shortage Contingency Plans (WSCPs) at a level that includes mandatory use restrictions, and water suppliers without WSCPs and water suppliers

Emergency Regulations Digest (Gov. Code , § 11346.1, subd. (b))

which have fewer than 3,000 service connections to implement mandatory restrictions, is necessary to promote conservation to address the drought emergency because mandatory restrictions have proven to be effective at reducing water use. Data collected from the State Water Board's May 2014 Urban Water Conservation Survey indicates that 53 of the 268 urban water suppliers who responded to the survey (representing approximately 10 million retail customers) have already formally invoked their drought shortage contingency plans and have implemented both mandatory restrictions on outdoor water use and prohibitions on runoff into streets and gutters. Requiring mandatory use restrictions for the rest of the water suppliers (representing approximately 28 million retail customers) will ensure that water use restrictions are applied equitably and to the greatest effect statewide.

One of the options for mandatory use restrictions is limiting outdoor irrigation to no more than two days per week. This limit is necessary to promote conservation to address the drought emergency because outdoor irrigation accounts for 44 percent of urban water use (see Table 1 below), outdoor irrigation is generally more discretionary than other types of use, and because studies have shown that urban landscapes are often over-watered. Two days per week of outdoor irrigation increases conservation and reduces the likelihood of over-irrigation and visible runoff.

The proposed regulation to require urban water suppliers with 3,000 or more service connections to provide the Board with monthly potable water production figures along with a calculation of gallons per capita per day (GPCD) is necessary so that the Board can track the effectiveness of the proposed regulations and urban water conservation actions. Such monitoring reports will promote the conservation necessary to address the drought emergency.

Estimate of Water Savings from Proposed Regulation

According to the Department of Water Resource's Public Review Draft Water Plan Update 2013, total urban water use between 1998 and 2005 was 8.8million acre-feet. The breakdown of the urban use by customer class is provided in the Table 1.

Table 1: Urban Water Use by Sector in Million Acre-Feet (MAF)

Sector	Volume (MAF)
Residential landscape	3
Large landscape	0.9
Indoor residential	2.7
Commercial, institutional, and industrial	1.7
Other	0.5
Total	8.8

Source: DWR Public Review Draft Water Plan Update 2013

Outdoor irrigation represents 44 percent of the total urban water use (3 MAF for residential landscape and 0.9 MAF for large landscapes). The proposed regulation prohibiting visible runoff affects the 44 percent of statewide urban use dedicated to outdoor irrigation. The

Emergency Regulations Digest (Gov. Code , § 11346.1, subd. (b))

proposed regulation to require implementation of WSCPs at a mandatory level by urban water suppliers would, in some cases, entail restrictions on use by other customer classes, including residential indoor use in instances where mandatory restrictions include rationing of residential use. However, a review of the State Water Board's May 2014 Urban Water Conservation Survey results and a select group of WSCPs indicates that water suppliers with significant supply shortages have already implemented mandatory restrictions and are therefore already in compliance with the proposed regulation, while those that will need to invoke their WSCPs at a mandatory level to comply do not include restrictions on water use by the non-residential classes at the first level of mandatory restrictions. Thus, the Board estimates that the proposed regulations will have a minimal impact on the 56 percent of water used for purposes other than outdoor irrigation.

Many California Urban water suppliers are already implementing water conservation measures commensurate with those required by the proposed regulations and therefore conservation savings attained by their customers are not attributable to the proposed regulations. As described above, 53 of the 268 urban water suppliers who responded to the survey indicated that they had already formally invoked their drought shortage contingency plans and have implemented both mandatory restrictions on outdoor water use and prohibitions on runoff into streets and gutters. Therefore, these 53 urban water suppliers are already implementing conservation measures that are commensurate with the requirements of the proposed emergency regulation. These 53 urban water suppliers represent approximately 10 million retail customers, which accounts for about 38 percent of the survey response by retail population. The Board estimates that all 268 of the survey respondents collectively are representative of the urban water conservation actions being taken statewide. Based upon these assumptions, 62 percent of urban water use would be affected by adoption of the proposed regulations while 38 percent of urban water use would not be affected by adoption of the proposed regulations (i.e, they are already implementing the required conservation measures).

Various studies have analyzed the response of urban populations to mandatory use restrictions imposed during drought conditions. Multiple studies conclude that mandatory use restrictions are more effective than voluntary conservation measures because areas that have imposed mandatory use restrictions have achieved greater use reductions than areas that imposed only voluntary measures, controlling for other variables. The amount of conservation achievable through mandatory restrictions varies. Conservation savings of up to 29 percent have been observed. For example, a study conducted on the effects of water demand management policies of eight California water agencies during the period from 1989-1996, which included 3 years of drought (1989-1991), found that rationing and use restrictions were correlated with use reductions of 19 percent and 29 percent, respectively. The study's authors concluded:

In general, relatively moderate (5-15%) reductions in aggregate demand can be achieved through modest price increases and "voluntary" alternative [Demand-Side Management] policy instruments, such as public information campaigns. However, to achieve larger reductions in demand (greater than 15%), policymakers will likely need to consider either relatively large price increases, more stringent mandatory policy instruments (such as use restrictions), or a package of policy instruments. (Dixon & Moore, 1996).

Emergency Regulations Digest (Gov. Code , § 11346.1, subd. (b))

A recent study from UCLA on use reductions in Los Angeles during the 2007-2009 drought reached similar conclusions:

Our results indicate that mandatory restrictions are most effective at reducing water consumption for [Single-Family Residential] households. The greatest impact of measures resulted from the combination of mandatory watering restrictions and the price increase, which led to a water reduction of 23% in July/August 2009, while voluntary restrictions led to only a 6% reduction in water use. (Mini, 2013).

In addition, a study of Virginia's severe 2002 drought found that mandatory use restrictions coupled with an aggressive information and enforcement campaign led to a 22 percent reduction in use. (Halich & Stephenson, 2006). Thus, given the severity of the current drought and the level of resources already devoted to attaining the state's conservation goals, the Board anticipates the proposed regulations can result in up to a 20 percent reduction in outdoor water use, totaling 0.48 million acre-feet, as calculated below.

Total urban water use for outdoor irrigation: 3.9 MAF

Urban water use for outdoor irrigation affected by the proposed regulations: $3.9 \times 0.62 = 2.4$ MAF

Estimated conservation savings from adoption of the proposed regulations: $2.4 \times 0.2 = 0.48$ MAF

Additional Benefits to Proposed Regulations

Staff has determined that additional benefits will be realized should the Board adopt the proposed regulations. These benefits include the following:

- Reduced water bills for customers that reduce water use (some of these savings will generate additional economic activity, such as investments in drought-tolerant landscaping)
- Increased water quality in receiving waters due to lower runoff volumes
- Increased drought awareness and shared sense of responsibility among urban water users
- More effective tracking of total urban water use
- Reduced potential for severe economic disruption if 2015 is another dry year

These benefits will offset some of the fiscal impacts to water suppliers when benefits and costs are viewed from a statewide perspective. Therefore, these benefits provide additional justification for adopting the proposed regulations.

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Report to the Governor's Drought Task Force – Groundwater Basins with Potential Water Shortages and Gaps in Groundwater Monitoring, Department of Water Resources, Sacramento, CA, April 30, 2014, accessed from:

http://www.water.ca.gov/waterconditions/docs/Drought_Response-Groundwater_Basins_April30_Final_BC.pdf, on June 29, 2014.

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California Water Code, Sections 354, 10608, 10630-10634.

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Informative Digest

Summary of Existing Laws and Regulations

At present, there is no statewide prohibition on individual activities to promote conservation. There is also no law or regulation requiring urban water suppliers to affirmatively adopt drought shortage contingency plans, implement specific stages of their drought shortage contingency plans, or report the amount of water they produce to the state. There is also no law or regulation requiring distributors of public water supplies who are not urban water suppliers to adopt water shortage contingency plans, limit outdoor irrigation by their customers, or implement other mandatory conservation measures. The proposed regulation constitutes the first statewide directive to individuals and to urban water suppliers to undertake specific actions to respond to the drought emergency; consequently, the proposed regulation is consistent and compatible with existing regulations on this subject. The proposed regulation neither differs from nor conflicts with an existing comparable federal statute or regulation.

Description and Effect of Proposed Regulations

The proposed emergency adoption of section X sets forth the State Water Resources Control Board's findings of drought emergency. The proposed emergency adoption of section X.1 directs individuals statewide to refrain from engaging in certain activities to promote conservation to meet the drought emergency. The proposed emergency adoption of section X.2 directs urban water suppliers to report information to the Board and to take actions to promote conservation and directs all other water suppliers to take actions to promote conservation.

Emergency Regulations Digest (Gov. Code , § 11346.1, subd. (b))

Proposed Emergency Regulation Section X

Proposed Section X sets forth the Board's findings of drought emergency, noting the Governor's adoption of two emergency proclamations pertaining to drought conditions, the persistence of drought conditions, the dry nature of the preceding two years, and the likelihood that drought conditions will continue.

Proposed Emergency Regulation Section X.1

Proposed Section X.1 prohibits several activities, except where necessary to address an immediate health and safety need or to comply with a term or condition in a permit issued by a state or federal agency, to promote conservation. The section prohibits the application of water to outdoor landscapes in a manner that causes visible runoff, the use of a hose to wash an automobile except where the hose is equipped with a shut-off nozzle, the application of water to hardscapes, and the use of potable water in non-recirculating ornamental fountains.

Proposed Emergency Regulation Section X.2

Proposed Section X.2 directs urban water suppliers to implement the stage of their water shortage contingency plans that impose mandatory restrictions on outdoor irrigation, requires those urban water suppliers without adequate drought shortage contingency plans to adopt them or other measures to promote conservation within thirty days, and report monthly water production information to the Board. The section also directs distributors of public water supplies that are not urban water suppliers to either limit outdoor irrigation, or implement another mandatory conservation measure or measures to achieve conservation.

Authority and Reference Citations

For Section X

Authority: Wat. Code, § 1058.5.

References: Wat. Code, §§ 102, 104, 105.

For Section X.1

Authority: Wat. Code, § 1058.5.

References: Wat. Code, §§ 102, 104, 105.

For Section X.2

Authority: Wat. Code, § 1058.5.

References: Wat. Code, §§ 102, 104, 105; 350; 10617; 10632.

Mandate on Local Agencies or School Districts

The State Water Resources Control Board has determined that adoption of sections X and X.1 does not impose a new mandate on local agencies or school districts. The sections are generally applicable law.

The State Water Resources Control Board has further determined that adoption of section X.2 does not impose a new mandate on local agencies or school districts, because the local agencies affected by the section have the authority to levy service charges, fees, or assessments sufficient to pay for the mandate program or increased level of service. (See Gov. Code, § 17556.)

Suspension of California Environmental Quality Act

On April 24, 2014, the Governor issued an executive order addressing the drought emergency, which, among other things, suspended the California Environmental Quality Act (CEQA) as applied to the State Water Resources Control Board’s adoption of emergency regulations to “prevent the waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of water, to promote water recycling or water conservation, and to require curtailment of diversions when water is not available under the diverter’s priority of right.” The proposed emergency regulation falls under this suspension.

Public Agency and Government Fiscal Impact Analysis

Summary

Increased urban water conservation will result in reduced water use by the customer, which in turn will result in reduced water sales and lost revenue for urban water suppliers. This loss in revenue will be a function of the amount of water conserved (and therefore not sold) and the unit price that water would have sold for. California Urban Water Supplier water rates are primarily comprised of a fixed and a variable component. The variable portion of the rate is based on the volume of water used by the customer and generally the fixed portion does not change with use. The variable portion of the rate therefore represents the unit cost of lost revenue.

In addition to lost revenue from reduced water sales, urban water suppliers will also incur costs associated with water production reporting as required by the proposed emergency regulations.

Implementation of the proposed emergency regulations will result in additional workload for the State Water Board and possibly for the Department of Water Resources, however, this work will be accomplished through redirection of resources within existing agency budgets. Significant costs or saving for State agencies are therefore not anticipated.

Fiscal Impacts to Public Water Supply Agencies

Fiscal impacts to urban water agencies are assumed to result primarily from changes in water sale revenues. These are calculated below by developing a statewide average variable rate for water and multiplying it by the estimate of water sales reduction resulting from the proposed regulation.

Determination of Average Water Rates

Data was compiled from a 2013 Water Rate Survey prepared by published by Raftelis Financial Consultants, Inc. and the California-Nevada Section of the American Water Works Association to develop a statewide average estimate for the variable portion of urban water rates. The 2013 Rate Survey included information on the average fixed and variable water rates for 46 California Counties based on survey responses from 216 urban water suppliers statewide. The average rate (variable portion only) for each represented county was weighted by county population to determine a statewide average rate of \$ 1,086.77 per acre foot of water sold.

Estimate of Water Savings from the Proposed Emergency Regulation

According to the Department of Water Resources' Public Review Draft Water Plan Update 2013, total urban water use between 1998 and 2005 was 8.8 million acre-feet (MAF). Outdoor irrigation represents 44 percent of the total urban water use (3 MAF for residential landscape and 0.9 MAF for large landscapes). The proposed regulation prohibiting visible runoff therefore affects the 44 percent of statewide urban use dedicated to outdoor irrigation. The proposed regulation to require implementation of WSCPs at a mandatory level by urban water suppliers would, in some cases, entail restrictions on use by other customer classes, including residential indoor use in instances where mandatory restrictions include rationing of residential use. However, a review of the State Water Board's May 2014 survey results and a select group of WSCPs indicates that water suppliers with significant supply shortages have already implemented mandatory restrictions and are therefore already in compliance with the proposed regulation, while those that will need to invoke their WSCPs at a mandatory level to comply do not include restrictions on water use by the non-residential classes at the first level of mandatory restrictions. Thus, the Board estimates that the proposed regulations will have a minimal impact on the 56 percent of water used for purposes other than outdoor irrigation.

Many California Urban water suppliers are already implementing water conservation measures commensurate with those required by the proposed regulations and therefore conservation savings attained by their customers are not attributable to the proposed regulations. Fifty-three of the 268 urban water suppliers who responded to the State Water Board's survey indicated that they had already formally invoked their drought shortage contingency plans and have implemented both mandatory restrictions on outdoor water use and prohibitions on runoff into streets and gutters. These 53 urban water suppliers represent approximately 10 million retail customers, which accounts for about 38 percent of the survey response by retail population. The Board assumes that these 53 urban water suppliers are already implementing conservation measures that are commensurate with the requirements of the proposed emergency regulation. The Board also assumes that all 268 of the survey respondents collectively are representative

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of the urban water conservation actions being taken statewide. Based upon these assumptions, 62 percent of urban water use would be affected by adoption of the proposed regulations while 38 percent of urban water use would not be affected by adoption of the proposed regulations.

Various studies have analyzed the response of urban populations to mandatory use restrictions imposed during drought conditions. Multiple studies conclude that mandatory use restrictions are more effective than voluntary conservation measures because areas that have imposed mandatory use restrictions have achieved greater use reductions than areas that imposed only voluntary measures, controlling for other variables. The amount of conservation achievable through mandatory restrictions varies. Conservation savings of up to 29 percent have been observed. For example, a study conducted on the effects of water demand management policies of eight California water agencies during the period from 1989-1996, which included 3 years of drought (1989-1991), found that rationing and use restrictions were correlated with use reductions of 19 percent and 29 percent, respectively. The study's authors concluded:

In general, relatively moderate (5-15%) reductions in aggregate demand can be achieved through modest price increases and "voluntary" alternative [Demand-Side Management] policy instruments, such as public information campaigns. However, to achieve larger reductions in demand (greater than 15%), policymakers will likely need to consider either relatively large price increases, more stringent mandatory policy instruments (such as use restrictions), or a package of policy instruments. (Dixon & Moore, 1996).

A recent study from UCLA on use reductions in Los Angeles during the 2007-2009 drought reached similar conclusions:

Our results indicate that mandatory restrictions are most effective at reducing water consumption for [Single-Family Residential] households. The greatest impact of measures resulted from the combination of mandatory watering restrictions and the price increase, which led to a water reduction of 23% in July/August 2009, while voluntary restrictions led to only a 6% reduction in water use. (Mini, 2013).

In addition, a study of Virginia's severe 2002 drought found that mandatory use restrictions coupled with an aggressive information and enforcement campaign led to a 22 percent reduction in use. (Halich & Stephenson, 2006).

In many cases, mandatory use restrictions are instituted jointly with price increases. Although the proposed regulations do not mandate price increases, we anticipate that many water suppliers will implement rate design changes as part of implementing their WSCP and in order to ameliorate the impacts of reduced revenues as sales decrease due to conservation.

Thus, given the severity of the current drought and the level of resources already devoted to attaining the state's conservation goals, the Board anticipates the proposed regulations can result in up to a 20 percent reduction in outdoor water use, totaling 0.48 million acre-feet, as calculated below.

Total urban water use for outdoor irrigation: 3.9 MAF

Urban water use for outdoor irrigation affected by the proposed regulations: $3.9 \times 0.62 = 2.4$ MAF

Estimated conservation savings from adoption of the proposed regulations: $2.4 \times 0.2 = 0.48$ MAF

Emergency Regulations Digest (Gov. Code , § 11346.1, subd. (b))

Reduction in Public Water Supplier Water Sales Volume

As described above, urban water use for outdoor irrigation affected by the proposed regulations is estimated to be up to 2.4 MAF per year. Urban Water suppliers in California, however, are comprised of both governmental agencies and investor owned utilities that are regulated by the California Public Utilities Commission (CPUC). Costs to investor owned utilities need not be considered for the purposes of estimating the costs of the proposed regulations on local agencies. The CPUC indicates that “there are 116 investor-owned water utilities under the CPUC’s jurisdiction providing water service to about 16 percent of California’s residents”. The estimated 2.4 MAF per year of water used for outdoor irrigation can therefore be reduced by 16 percent for the purpose of determining the amount of conservation and corresponding revenue impact to local government resulting from adoption of the proposed regulation. This brings the total volume of outdoor irrigation water use down to approximately 2.016 MAF per year. Since the proposed regulations are estimated to achieve in as much as a 20 percent reduction in water use it follows that the proposed regulations could result in a reduction in water sales by local government agencies of 403,200 acre-feet per year (i.e, 20% of 2.016 MAF).

Calculation of Decreased Public Water Supplier Sales Revenues

The estimated decreased sales revenues are a function of the average variable water rate and the amount of decreased sales volume. The estimate of decreased sales revenues due to the proposed regulations is \$438,185,664, as calculated below.

Average statewide variable water rate: \$1,086.77 per acre-foot

Estimated conservation savings (local government portion) from proposed regulations: 403,200 acre-feet

Total revenue impact: $\$1086.77 \times 403,200 = \$438,185,664$

Note on calculation methodology

This methodology likely overstates the fiscal impact of decreased revenues for several reasons. First, it does not account for the savings in energy and chemical costs water suppliers will realize due to decreased water production. Second, it does not account for the avoided cost of supply augmentation that could be necessary if not for the conservation savings generated by the proposed regulations.

Reporting Costs

The estimated cost of reporting as would be required by the proposed emergency regulations were determined by multiplying the total number of urban water supplies that would be required to submit monthly water production reports by the estimated average time to compile and submit water production information and by an average staff cost per hour. Based on information provided by the Department of Water Resources there are 440 urban water suppliers that are subject to Urban Water Management Planning Act requirement to prepare an Urban Water Management Plan and therefore subject to the proposed reporting requirements.

Emergency Regulations Digest (Gov. Code , § 11346.1, subd. (b))

The maximum amount of time to prepare and submit the water production data is estimated to be 4 hours per urban water supplier per month. The estimated average total hourly staff costs of urban water supplier staff required to complete the certification form is \$65 per hour or \$260 per monthly report. If adopted, the term of the proposed emergency regulations would be 270 days or almost 9 months. Therefore, the total maximum reporting costs to urban water suppliers as a result of the proposed regulations is estimated at \$1,029,600 (440 urban water suppliers multiplied by the \$260 cost per monthly report multiplied by 9 months).

Total Implementation Cost

The total estimated cost of implementing the proposed regulations is \$439,215,264, which is the sum of estimated lost revenues to urban water suppliers and the estimated reporting costs as described above.

References:

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PROPOSED TEXT OF EMERGENCY REGULATIONS

Article X. Prohibition of Activities and Mandatory Actions During Drought Emergency

Sec. X Findings of Drought Emergency

(a) The State Water Resources Control Board finds as follows:

(1) On January 17, 2014, the Governor issued a proclamation of a state of emergency under the California Emergency Services Act based on drought conditions;

(2) On April 25, 2014, the Governor issued a proclamation of a continued state of emergency under the California Emergency Services Act based on continued drought conditions;

(3) The drought conditions that formed the basis of the Governor's emergency proclamations continue to exist;

(4) The present year is critically dry and has been immediately preceded by two or more consecutive below normal, dry, or critically dry years; and

(5) The drought conditions will likely continue for the foreseeable future and additional action by both the State Water Resources Control Board and local water suppliers will likely be necessary to further promote conservation.

Authority: Wat. Code, § 1058.5.

References: Wat. Code, §§ 102, 104, 105.

Sec. X.1 Prohibited Activities in Promotion of Water Conservation

(a) To promote water conservation, each of the following actions is prohibited, except where necessary to address an immediate health and safety need or to comply with a term or condition in a permit issued by a state or federal agency:

(1) The application of water to outdoor landscapes in a manner that causes runoff such that water flows onto adjacent property, non-irrigated areas, private and public walkways, roadways, parking lots, or structures;

(2) The use of a hose to wash an automobile, except where the hose is fitted with a shut-off nozzle or device attached to it that causes it to cease dispensing water immediately when not in use;

(3) The application of water to any hard surface, including but not limited to driveways, sidewalks, and asphalt; and

(4) The use of potable water in a fountain or other decorative water feature, except where the water is part of a recirculating system.

(b) The taking of any action prohibited in subdivision (a) of this section is an infraction, punishable by a fine of up to five hundred dollars (\$500) for each day in which the violation occurs.

Authority: Wat. Code, § 1058.5.

References: Wat. Code, §§ 102, 104, 105.

PROPOSED TEXT OF EMERGENCY REGULATIONS

Sec. X.2 Mandatory Actions by Water Suppliers

(a) The term “urban water supplier,” when used in this section, refers to a supplier that meets the definition set forth in Water Code section 10617.

(b) To promote water conservation, each urban water supplier shall implement all requirements and actions of the stage of its water shortage contingency plan that imposes mandatory restrictions on outdoor irrigation.

(c) To promote water conservation, each urban water supplier that does not have a water shortage contingency plan or has been notified by the Department of Water Resources that its water shortage contingency plan does not meet the requirements of Water Code section 10632 shall, within thirty (30) days, limit outdoor irrigation by the persons it serves to no more than two days per week or shall implement another mandatory conservation measure or measures intended to achieve a comparable reduction in water consumption by the persons it serves relative to the amount consumed in 2013.

(d) In furtherance of the promotion of water conservation each urban water supplier shall prepare and submit to the State Water Resources Control Board by the 15th of each month a monitoring report on forms provided by the Board. The monitoring report shall include the amount of potable water the urban water supplier produced, including treated water provided by a wholesaler, in the preceding calendar month. The monitoring report shall also estimate the gallons of water per person per day used by the persons it serves. In its initial monitoring report, each urban water supplier shall state the number of persons it serves.

(e) To promote water conservation, each distributor of a public water supply, as defined in Water Code section 350, that is not an urban water supplier shall, within thirty (30) days, take one or more of the following actions:

(1) Limit outdoor irrigation by the persons it serves to no more than two days per week; or

(2) Implement another mandatory conservation measure or measures intended to achieve a comparable reduction in water consumption by the persons it serves relative to the amount consumed in 2013.

Authority: Wat. Code, § 1058.5.

References: Wat. Code, §§ 102, 104, 105; 350; 10617; 10632.

CRESTLINE-LAKE ARROWHEAD WATER AGENCY

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Assistant General Manager/Board Secretary

JENNIFER A. SPINDLER

July 10, 2014

Via Mail and E-mail to "commentletters@waterboards.ca.gov"

State Water Resources Control Board
PO Box 100
Sacramento, CA 95812-0100

Re: Proposed Emergency Regulations Regarding Prohibition of Activities and
Mandatory Actions During Drought Emergency

Ladies and Gentlemen:

Thank you for this opportunity to comment on the proposed emergency regulations to add new sections to Title 23 of the California Code of Regulations to prohibit certain activities and to impose mandatory actions during the current drought emergency.

The Crestline-Lake Arrowhead Water Agency is located in the San Bernardino Mountains, where customer demand fluctuates significantly from one holiday weekend to the next, between seasons and from one year to the next. As a resort community, the Agency has no way of knowing the number of people in a property on a daily, weekly, monthly or yearly basis; many residences are rental properties and second homes. The Agency provides water service on a retail basis to only a small portion of its service area (fewer than 1,225 customers).


Most of the water provided by the Agency is delivered on a wholesale basis to other retail purveyors, to supplement their own local water supplies. The Agency is not in a position to monitor or regulate water supplied by other retail purveyors to their retail customers. Therefore, the Agency requests that the regulations make it clear that:

1. The water use reporting requirements will not apply to those areas within the Agency that receive water service from another retail service provider, as such reporting would duplicate and potentially could conflict with the reports that those retail purveyors themselves will be providing.
2. The Agency will not be responsible for implementing water use restrictions within the retail service area of another retail service provider, in order to prevent potentially conflicting restrictions and requirements, and because the Agency has no effective way of controlling the behavior of another purveyor's customers.

The Agency employs a very small workforce in an effort to keep the cost of water service as low as possible. We are extremely concerned about the additional burden created by the proposed requirements and would like them to be reduced as much as possible as well, by limiting reporting and not duplicating the activities that other retail purveyors will undertake themselves within their own retail service areas.

We hope that the proposed regulations may be modified to accommodate the above concerns. Thanks very much for your attention.

Yours very truly,



Roxanne M. Holmes,
General Manager

Crestline Village Water District

Change in Water Production

2013 to 2014

2014 Production	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Nov	Dec	Total
Wells	1,226,426	1,029,924	1,150,473	1,135,412	1,099,166	1,136,842	0	0	0	0	0	6,778,243
CLAWA	1,081,351	712,366	886,925	941,993	1,333,475	1,919,117	0	0	0	0	0	6,875,227
Total	2,307,777	1,742,290	2,037,398	2,077,405	2,432,641	3,055,959	0	0	0	0	0	13,653,470

2014 Cumulative												
Wells	1,226,426	2,256,350	3,406,823	4,542,235	5,641,401	6,778,243	6,778,243	6,778,243	6,778,243	6,778,243	6,778,243	13,556,486
CLAWA	1,081,351	1,793,717	2,680,642	3,622,635	4,956,110	6,875,227	6,875,227	6,875,227	6,875,227	6,875,227	6,875,227	13,750,454
Total	2,307,777	4,050,067	6,087,465	8,164,870	10,597,511	13,653,470	13,653,470	13,653,470	13,653,470	13,653,470	13,653,470	27,306,940

2013 Production												
Wells	1,892,667	1,416,423	1,570,947	1,427,183	1,498,424	1,506,235	1,372,567	1,350,287	1,330,182	1,210,928	1,344,261	15,920,104
CLAWA	1,026,069	378,743	606,417	878,490	1,119,532	1,641,898	2,091,243	1,889,105	1,991,017	1,541,056	1,111,284	14,274,854
Total	2,918,736	1,795,166	2,177,364	2,305,673	2,617,956	3,148,133	3,463,810	3,239,392	3,321,199	2,751,984	2,455,545	30,194,958

2013 Cumulative												
Wells	1,892,667	3,309,090	4,880,037	6,307,220	7,805,644	9,311,879	10,684,446	12,034,733	13,364,915	14,575,843	15,920,104	31,840,208
CLAWA	1,026,069	1,404,812	2,011,229	2,889,719	4,009,251	5,651,149	7,742,392	9,631,497	11,622,514	13,163,570	14,274,854	28,549,708
Total	2,918,736	4,713,902	6,891,266	9,196,939	11,814,895	14,963,028	18,426,838	21,666,230	24,987,429	27,739,413	30,194,958	60,389,916

Change in Production

Wells	(666,241)	(386,499)	(420,474)	(291,771)	(399,258)	(369,393)						
CLAWA	55,282	333,623	280,508	63,503	213,943	277,219						
Total	(610,959)	(52,876)	(139,966)	(228,268)	(185,315)	(92,174)						
Total (AF)	(14.03)	(1.21)	(3.21)	(5.24)	(4.25)	(2.12)						

% Change

Wells	-35.20%	-27.29%	-26.77%	-20.44%	-26.65%	-24.52%						
CLAWA	5.39%	88.09%	46.26%	7.23%	19.11%	16.88%						
Total	-20.93%	-2.95%	-6.43%	-9.90%	-7.08%	-2.93%						

Cummulative Change

Wells	(666,241)	(1,052,740)	(1,473,214)	(1,764,985)	(2,164,243)	(2,533,636)						
CLAWA	55,282	388,905	669,413	732,916	946,859	1,224,078						
Total	(610,959)	(663,835)	(803,801)	(1,032,069)	(1,217,384)	(1,309,558)						
Total (AF)	(14.03)	(15.24)	(18.45)	(23.69)	(27.95)	(30.06)						

% Cummulative Change

Wells	-35.20%	-31.81%	-30.19%	-27.98%	-27.73%	-27.21%						
CLAWA	5.39%	27.68%	33.28%	25.36%	23.62%	21.66%						
Total	-20.93%	-14.08%	-11.66%	-11.22%	-10.30%	-8.75%						

(M.A., May 13, 1993; amended by M.A., July 15, 1993; amended by Res. 338, May 25, 2004.)

3.2.11.1 Water Rate Schedule – Commercial Fire Services:

Commercial Fire Services have detector check meters to detect any water that passes through the fire service water line. The detector check meter is a 5/8 X 3/4 inch meter. The Basic Allocation Rate is \$4.20 per 100 cubic feet.

In addition to the Basic Allocation Rate (and the rate for any applicable excess), the Board of Directors has established the following minimum monthly charge:

Crestline Division - 5/8 X 3/4 inch meter	\$21.00 per month
Lake Gregory Division - 5/8 X 3/4 inch meter	\$25.50 per month

(Amended by Res. 338, May 25, 2004.)

3.2.12 After Hours Charge.

In the event that “on-call” District personnel are called out after regular working hours to respond to a customer request, and the District General Manager determines that the customer is responsible for the field service call, the customer shall pay the actual cost of District labor, materials and equipment.

(Res. 353, June 20, 2006.)

3.3 Water Conservation.

3.3.1 Water Waste Prohibited.

No customer shall knowingly permit leaks or waste of water. Where water is wastefully or negligently used on a customer's premises, and such waste seriously affects the general service, the District may discontinue the service if such conditions are not corrected within five (5) days after giving the customer written notice.

(Res. 200, March 11, 1982.)

3.3.2 Customer Responsibility to Prevent Water Loss.

Each customer of the District is required to install a shut-off valve on the customer's side of the meter, outside the meter box, to allow on-site plumbing to be drained as necessary to prevent loss of water from frozen or broken pipes. It shall be the customers' responsibility to maintain their on-site plumbing and operate these valves as necessary to prevent water loss, especially during periods of freezing conditions when the premises are unoccupied.

(Ord. 29, Section 2, February 21, 1991.)

3.3.3 Water Use Reduction Program.

No customer of the District shall make, cause, use or permit the use of water received from the District for any purpose in a manner contrary to any provision of this Section 3.3.3 or in an amount in excess of that use permitted by the conservation phase then in effect pursuant to this Section 3.3.3 or pursuant to action taken by the Board in accordance to the provisions herein.

(Ord. 29, Section 2, February 21, 1991.)

3.3.3.1 Phase I - General Water Use Reduction Program.

(1) Consumer Curtailment. The District has established a Surcharge for Excess Consumption which establishes 1,300 cubic feet per month as the basic allocation for each single family residential customer. The customer of record may request an increase in this basic allocation as provided in Section 3.3.4 below. Multi-Family, Commercial and Political Entity accounts may request an increase in this basic allocation based upon the number of units served and/or uses of water as provided in Section 3.3.4 below. Every consumer shall eliminate the waste of potable water from the District in an effort to conserve District water supplies.

(2) Surcharge for Excess Consumption. The rate for water used in excess of the basic allocation shall be one and one half times the rate for the basic allocation.

(Ord. 29, Section 2, February 21, 1991; amended by Ord. 30, Section 1, August 27, 1992.)

3.3.3.2 Phase II - 10 Percent Water Use Reduction Program.

(1) Consumer Curtailment. The basic allocation is reduced to 1,200 cubic feet per month. Every consumer shall eliminate the waste and non-essential use of potable water from the District in an effort to aid the District in achieving a ten percent reduction of the amount of water used by all consumers during calendar year 1990.

(2) Surcharge for Excess Consumption. The rate for water used in excess of the basic allocation shall be two (2) times the rate for the basic allowance.

(3) Prohibited Uses. It shall be unlawful for any consumer to use potable water from the District for the following uses:

(a) The washing of sidewalks, walkways, driveways, parking lots

and all other hard-surfaced areas by direct hosing, except as may be necessary to properly dispose of flammable or otherwise dangerous liquids or substances, or as otherwise necessary to prevent or eliminate materials dangerous to the public health and safety;

(b) The escape of water through breaks, leaks or dripping faucets within the consumer's plumbing or private distribution system for any substantial period of time within which such break or leak should be reasonably have been discovered or corrected. It shall be presumed that a period of forty-eight hours after the consumer discovers such a leak or break, or receives notice from the District of such leak or break, whichever occurs first, is reasonable time within which to correct such leak or break;

(c) The use of running water during freezing weather to prevent the freezing of water lines. Water lines should be protected by other means.

(d) Using a hose to wash cars, trucks, boats, trailers or other vehicles unless it has a spring-release shut-off nozzle;

(e) Lawn or garden watering, or any other irrigation or other water use, in a manner which results in water runoff or over spray of the areas being watered. Every consumer is deemed to have under control at all times its water distribution lines and facilities, and to know the manner and extent of its water use and any runoff. Any irrigation, of landscaping installed after the date upon which this subsection has been activated, is prohibited;

(f) Sprinkling for dust control;

(g) Any water use that results in the runoff of water in street, gutters, driveways, or other waterways.

(Ord. 29, Section 2, February 21, 1991; amended by Ord. 30, Section 1, August 27, 1992.)

3.3.3.3 Phase III - 20 Percent Water Use Reduction Program.

(1) Consumer Curtailment. The basic allocation is reduced to 1,100 cubic feet per month. Every consumer shall eliminate the waste and non-essential use of potable water from the District in an effort to aid the District in achieving a twenty percent reduction of the amount of water used by all consumers during calendar year 1990.

(2) Surcharge for Excess Consumption. The rate for water used in excess of

the basic allocation shall be two and one half (2 1/2) times the rate for the basic allowance.

(3) Prohibited Uses. It shall be unlawful for any consumer to use potable water from the District contrary to the provisions of Section 3.3.3.2 (3), or for the following uses:

(a) The draining and refilling of a pool or spa unless necessary for significant health or safety reasons:

(b) Using water for decorative fountains or the filling of decorative lakes or ponds, except when reclaimed or recycled water is used;

(Ord. 29, Section 2, February 21, 1991; amended by Ord. 30, Section 1, August 27, 1992.)

3.3.3.4 Phase IV - 30 Percent Water Use Reduction Program.

(1) Consumer Curtailment. The basic allocation is reduced to 900 cubic feet per month. Every consumer shall eliminate the waste and non-essential use of potable water from the District in an effort to aid the District in achieving a thirty percent reduction of the amount of water used by all consumers during calendar year 1990.

(2) Surcharge for Excess Consumption. The rate for water used in excess of the basic allocation shall be three (3) times the rate for the basic allowance.

(3) Prohibited Uses. It shall be unlawful for any consumer to use potable water from the District contrary to the provisions of Section 3.3.3.3 (3), or for the following uses:

(a) The filling of new pools or spas;

(b) Sewer or storm system flushing for normal maintenance, and fire department training, except as approved in writing by the District;

(c) Use of potable water for construction;

(d) The washing of motor vehicles, trailers, boats or other vehicles by hosing, or by use of water directly from faucets or other outlets, except: it shall be lawful to wash such vehicles from water contained in a bucket or container not exceeding three (3) gallon capacity; and this prohibition shall not be applicable to the washing of such vehicles at commercial vehicle washing facilities operated at fixed locations which employ water recycling equipment.

(e) Lawn or garden watering, or any other irrigation, beyond what is needed to sustain plant life.

(Ord. 29, Section 2, February 21, 1991; amended by Ord. 30, Section 1, August 27, 1992.)

3.3.3.5 Phase V - 40 Percent Water Use Reduction Program.

(1) Consumer Curtailment. The basic allocation is reduced to 800 cubic feet per month. Every consumer shall eliminate the waste and non-essential use of potable water from the District in an effort to aid the District in achieving a forty percent reduction of the amount of water used by all consumers during calendar year 1990.

(2) Surcharge for Excess Consumption. The rate for water used in excess of the basic allocation shall be three and one half (3 1/2) times the rate for the basic allowance.

(3) Prohibited Uses. It shall be unlawful for any consumer to use potable water from the District contrary to the provisions of Section 3.3.3.4 (3), or for the following uses:

(a) The use of potable water for any non-essential outdoor use. Essential uses of potable water are uses necessary for the health, sanitation, fire protection or safety of the consumer or public.

(Ord. 29, Section 2, February 21, 1991; amended by Ord. 30, Section 1, August 27, 1992.)

3.3.3.6 Phase VI - 50 Percent Water Use Reduction Program

(1) Consumer Curtailment. The basic allocation is reduced to 700 cubic feet per month. Every consumer shall eliminate the waste and non-essential use of potable water from the District in an effort to aid the District in achieving a fifty percent reduction of the amount of water used by all consumers during calendar year 1990.

(2) Surcharge for Excess Consumption. The rate for water used in excess of the basic allocation shall be four (4) times the rate for the basic allowance.

(3) Prohibited Uses. It shall be unlawful for any consumer to use potable water from the District contrary to the provisions of Section 3.3.3.5 (3), or for any non-essential use. Essential uses of potable water are uses necessary for the health, sanitation, fire protection or safety of the consumer or public.

(Ord. 29, Section 2, February 21, 1991; amended by Ord. 30, Section 1,

August 27, 1992.)

3.3.4 Exceptions to Water Use Reduction Program.

3.3.4.1 Exceptions to Basic Allocation.

Exceptions to increase the amount of water which may be used without exceeding the basic allotment may be granted by the District Manager or his designee, upon written request for the following reasons:

- (1) Substantiated medical requirements.
- (2) Multiple family units served by a single meter.
- (3) A single family residential household exceeding six (6) residents.
- (4) Unnecessary and undue hardship to the consumer or the public, including but not limited to, adverse economic impacts.

(Ord. 29, Section 3, February 21, 1991.)

3.3.4.2 Exceptions to Prohibited Uses.

Exceptions to prohibited uses may be granted by the General Manager or his designee, upon written request if it is found and determined that failure to do so would cause an unnecessary and undue hardship to the consumer or the public, including, but not limited to, adverse economic impacts.

(Ord. 29, Section 3, February 21, 1991.)

3.3.4.3 Further Exceptions to Prohibited Uses.

Exceptions to prohibited uses shall be granted by the General Manager or his designee, upon written request if it is found and determined that failure to do so would cause an emergency condition affecting the health, sanitation, fire protection or safety of the consumer or the public.

(Ord. 29, Section 3, February 21, 1991.)

3.3.5 Water Use Reduction Program Phase Implementation.

The District shall monitor and evaluate the projected supply and demand for water by its customers, and shall recommend to the Board of Directors any change in customer curtailment as indicated in the respective phases of Section 3.3.3. The Board of Directors shall, by resolution, order that the appropriate phase of water use reduction be implemented. The effective date of said phase change shall be published once in a local newspaper and a notice shall be mailed to all property owners and customers of record within 10 days after the adoption date of the resolution changing the phase of water use reduction. Said phase shall remain in effect until a different phase is initiated and made effective pursuant to the provisions of this section. The District can, by resolution, order a more stringent phase be implemented, and it need not order one phase at a time.

(Ord. 29, Section 4, February 21, 1991.)

3.3.6 Enforcement of Water Use Reduction Program.

Any consumer who violates the provisions of Section 3.3.3 herein may be cited by the District or its representative.

(Ord. 29, Section 5, February 21, 1991.)

3.3.6.1 Excess Use.

When the requirements of Sections 3.3.3.1, 3.3.3.2, 3.3.3.3, 3.3.3.4, 3.3.3.5 or 3.3.3.6 are in effect, any customer using more than 125% of the basic allocation, for any billing period, will be warned that such use is considered waste of water, and that a reduction in use is required to avoid being subject to the enforcement provisions of Section 3.3.6.2.

(Ord. 29, Section 5, February 21, 1991.)

3.3.6.2 Enforcement Provisions.

(1) First Violation. Any consumer found by the District to be violating the regulations and restrictions on water use set forth in Section 3.3.3 shall receive a written warning, which describes the penalty for subsequent violations.

(2) Second Violation. In the event that a second violation is found by the District, the District may add a single \$50 charge to the next water bill of the premises for which or upon which the violation has occurred.

(3) Third Violation. In the event that a third violation is found by the District, the District will discontinue the water service pursuant to Section 3.1.8 and the appropriate reinstatement charge will apply. Installation of a flow restrictor may be required before service is reinstated. If the installation of a flow restrictor is required, the District may add a charge to the next water bill of the premises, that covers the cost of said installation.

(Ord. 29, Section 5, February 21, 1991.)

3.3.7 Property Owner Responsibility to Provide Notification of Water Use Reduction Program.

It is the responsibility of each property owner to notify any person or persons that use their premises, including, but not limited to weekend rentals, multi-unit apartments, motels and commercial buildings, of any water use restrictions currently in effect. The District will mail a notice to all property owners and customers of record within 10 days of the adoption date of a water use reduction phase change.

(Ord. 29, Section 7, February 21, 1991.)

3.3.8 Use of Surcharge and Other Charges.

The revenues collected by the District as a result of consumer use of water in excess of the basic allocation set forth in Section 3.3.3 and the charges to be added to consumer bills set forth in Section 3.3.6.2 (2) shall be deposited into the operating fund as reimbursement for the District's costs and expenses of administration and enforcement of the Water Use Reduction Program, and to provide funding to promote, encourage and implement water conservation programs.

(Ord. 29, Section 9, February 21, 1991.)

3.3.9 Restrictions on New Connections.

A new service connection shall only be granted upon the following conditions being met: (a) Equipped with ultralow-flush toilets and low-flow showers, faucets and appliances; (b) Equipped with an approved hot water circulation system; (c) Use of drought tolerant or native plants for exterior landscaping. Information regarding required devices and landscaping may be obtained at the District's office.

(Ord. 29, Section 6, February 21, 1991.)