



STAFF REPORT

Meeting Date: January 5, 2016

To: Honorable Mayor & City Council

From: Trish Rhay, Assistant Director of Public Works Services, Infrastructure & Field Operations
Michelle Tse, Planning and Research Analyst

Subject: Conservation Program Update

Attachments:

1. State Water Resources Control Board Comment Letter dated December 2, 2015
2. State Water Resources Control Board Proposed Regulatory Framework for Extended Emergency Regulations for Urban Water Conservation dated December 21, 2015

INTRODUCTION

This report transmits an update to the City Council regarding conservation programs, specifically related to enforcement, and targeted outreach of higher water users.

DISCUSSION

Each month, the City is required to submit a monthly report to the State Water Resources Control Board ("State Water Board") regarding its conservation efforts for the previous month. Table 1 is a summary of the water use reduction numbers that were submitted to the State Water Board for the past six months when Stage D conservation measures were enacted.

Table 1: Summary of Beverly Hills Water Use Reductions Submitted to the State Water Resources Control Board

	May	June	July	August	September	October	November
	Acre Feet						
2013	1047.3	1077.4	1185.5	1184.4	1156.0	1105.5	939.2
2015	869.6	841.7	929.0	976.6	918.8	897.4	814.7
% Reduction	17.0%	21.9%	21.6%	17.5%	20.5%	18.5%	13.3%

The City's reduction in November 2015 was lower than previous months; other water providers across the State also had lower reductions compared to their 2013 baseline. This is in part attributed to cooler temperatures during the winter months and the lower November 2013 baseline. Usage from Year 2013 is the baseline in which the State Water Resources Control Board ("State Water Board") is using to measure the City's progress.

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On December 7, 2015, the State Water Board hosted a public workshop to receive input on the potential extension and modification of the existing State water restriction regulations if drought conditions continue into 2016. Written comments were submitted to the State Water Board, recommending that consideration be given in the following as additional regulations are developed and/or refined:

- Geographical and climate factors;
- Daytime versus night-time population numbers;
- Different conservation targets based on user type (e.g. single family residential, multi-family residential, commercial, government, and industrial); and
- Population growth considerations

On December 21, 2015, the State Water Board released the proposed regulatory framework for extending the statewide 25% water reduction mandate. A copy of the proposed framework is included as Attachment 2. In addition to possibly extending the drought declaration to October 31, 2016, the State Water Board will consider modifying the conservation framework to consider factors related to climate, growth adjustment, and applying a credit for drought resilient water sources. Staff will continue to keep the City Council informed on any regulation updates from the State Water Board.

City’s Water Enforcement Efforts

At the November 15, 2015 Study Session, the City’s conservation enforcement program was adjusted to obtain greater compliance. All verified violations now result in the immediate issuance of a Notice of Violation, followed by the issuance of a criminal misdemeanor citation (not to exceed \$1000, as determined by the court). City staff subsequently schedules a follow-up site visit. Most of these site visits have resulted in the property owner communicating with their gardeners about the City’s outdoor watering schedule and/or having notified the gardeners prior to the site visit. With the modified enforcement approach, 81 Notice of Violations were issued during the latter part of November 2015.

Table 2 below is a summary of reported water waste reports received by the City and issuance of warning notices during Stage D.

Table 2: Summary of Water Related Notifications during City’s Stage D Declaration for Period May 2015 – November 2015

	Public Works - Water Conservation Enforcement				Community Development – Water Conservation Enforcement			<i>Total</i>
	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	
No. of Cases	79	114	74	57	41	129	136	630
No. of Written Notices	79	114	74	57	41	129	136	630
No. of Notice of Violations (NOV) Issued	0	0	0	0	0	0	81	81
No. of Officer/Staff Reported	53	84	73	53	28	100	120	511
No of Resident Reporting	26	30	1	4	13	29	16	119
No. of Repeat Offenders	0	0	0	0	0	0	0	0

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At this time, there has been no repeat violators to-date. There are also no instances which have resulted in either termination of water irrigation supply and/or restriction of water supply on domestic meters.

The Community Development Department (“CDD”) is currently the lead department to investigate and respond to water conservation complaints. CDD had temporarily re-assigned one existing full-time Code Enforcement Officer (CEO) from its Community Preservation Program to support water conservation enforcement efforts mandated by the Governor’s emergency regulations. As a result, CDD is experiencing an increased backlog in its Community Preservation Program due to the assignment of their Code Enforcement Officer to support water enforcement efforts.

To address this issue and balance the City’s overall enforcement efforts, the existing Code Enforcement Officer will revert back to the Community Preservation Program enforcement efforts. Water conservation enforcement will move to the Public Works Services Department in January 2016. The Department will use salary savings to temporarily augment staff resources to support the City’s conservation enforcement efforts for the remainder of FY15-16. If the Governor extends the emergency regulations which include mandatory enforcement, staff will seek permanent enforcement resources to address this in the upcoming 2016-2017 budget process.

City’s Conservation Strategy

As part of the overall conservation strategy, staff evaluated the possibility to further reduce the current two days per week watering schedule to one day per week. The one day per week watering schedule is currently implemented in cities such as Sacramento, Pasadena, and Newport Beach during the cooler winter months. Table 3 highlights staff’s assessment on the one day per week watering schedule.

Table 3: Evaluation of One Day Per Week Watering Schedule

<u>Pros</u>	<u>Cons</u>
<ul style="list-style-type: none">• Further reduces overall water use	<ul style="list-style-type: none">• Difficult to develop a standard to account for all irrigation systems• Difficult to determine the most appropriate watering time• Will penalize customers who are already achieving their reduction targets

Given that there are challenges with developing and implementing a one day per week watering schedule, staff suggests other ways to achieve the City’s reduction target. Staff is currently reviewing different strategies such as requiring the installation of a landscape meter for the higher water users and/or use of restrictors. Staff will return to the City Council with its findings and recommendations at a future City Council meeting.

FISCAL IMPACT

Salary savings will be used to temporarily augment staff resources to support the City’s conservation enforcement efforts for the remainder of FY15-16. If the Governor extends the emergency regulations which include mandatory enforcement, staff will seek permanent enforcement resources to address this in the upcoming FY2016-2017 budget process.

RECOMMENDATION

This report is for informational purposes only.

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A handwritten signature in black ink, appearing to read "George Chavez", written in a cursive style.

George Chavez

Approved By

Attachment 1

RICHARD RICHARDS
(1916–1988)

GLENN R. WATSON
(1917–2010)

HARRY L. GERSHON
(1922–2007)

STEVEN L. DORSEY
WILLIAM L. STRAUSS
MITCHELL E. ABBOTT
GREGORY W. STEPANICH
QUINN M. BARROW
CAROL W. LYNCH
GREGORY M. KUNERT
THOMAS M. JIMBO
ROBERT C. CECCON
STEVEN H. KAUFMANN
KEVIN G. ENNIS
ROBIN D. HARRIS
MICHAEL ESTRADA
LAURENCE S. WIENER
B. TILDEN KIM
SASKIA T. ASAMURA
KAYSER G. SUME
PETER M. THORSON
JAMES L. MARKMAN
CRAIG A. STEELE
T. PETER PIERCE
TERENCE R. BOGA
LISA BOND
ROXANNE M. DIAZ
JIM G. GRAYSON
ROY A. CLARKE
MICHAEL F. YOSHIBA
REGINA N. DANNER
PAULA GUTIERREZ BAEZA
BRUCE W. GALLOWAY
DIANA K. CHUANG
PATRICK K. BOBKO
NORMAN A. DUPONT
DAVID M. SNOW
LOLLY A. ENRIQUEZ
GINETTA L. GIOVINCO
TRISHA ORTIZ
CANDICE K. LEE
JENNIFER PETRUSIS
STEVEN L. FLOWER
TOUSSAINT S. BAILEY
AMY GREYSON
DEBORAH R. HAKMAN
D. CRAIG FOX
MARICELA E. MARROQUÍN
SERITA R. YOUNG
SEAN B. GIBBONS
AARON C. O'DELL
AMANDA L. CHARNE
STEPHANIE CAO
PATRICK D. SKAHAN
STEPHEN D. LEE
YOUSTINA N. AZIZ
BRENDAN KEARNS
KYLE H. BROCHARD
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December 2, 2015

VIA ELECTRONIC MAIL & U. S. MAIL

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

Re: Comment Letter - Urban Water Conservation Workshop

Dear Members of the Board:

This letter is provided to you on behalf of the Cities of Beverly Hills, Brea and Rancho Cucamonga in order to suggest modifications to the subject regulations which will refine the regulations and generate a more equitable distribution of water service reduction requirements based on particular circumstances. There are multiple areas of suggested modifications discussed and requested below. These suggestions concern proposed refinements to the regulations which will take into account certain broad categories of differences affecting the ability of retail service entities to meet reasonable reduction goals. We are certain that other refinements could be suggested which also would produce a more equitable result.

In Beverly Hills, the substantial reduction requirement fails to take into account the amount of water consumed in the City due to commercial activities as distinguished from residential activities. The City's daytime population is many times greater than its nighttime residential population. Commercial enterprises cannot be expected to absorb a reduction of over 30% of their water use. Accordingly, to achieve the City's assigned reduction, residential users would have to be asked or directed to cut their consumption in half, a result not contemplated in the regulations and markedly unfair to those residents. We suggest that this situation could be resolved in the regulations by a refinement which assigns water reduction responsibilities according to land use categories, which could include residential, commercial and industrial. This change would generate more equity among retail water suppliers with different constituent customer characteristics. There also should be ample data available demonstrating distinctions in water use in the land use categories.

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In Brea, an impediment to the City reaching and maintaining its assigned reduction percentage is the presence of growth in water demand due to newly constructed projects. Asking a retail water supplier to reduce based on percentage comparisons between a prior year and 2015 without taking into account demonstrable new production demands is not equitable. In addition, not taking growth demand into account discourages local government support for economic development in the state. The required water service reduction should factor in new demand which has come on line since the base year for measurement.

The City of Brea also is required to provide water for dust control to a County of Orange landfill as to which reduction is impeded by health concerns. We suggest that water required for such a public function be eliminated from the calculations of reductions, both from the base and present amounts.

In Rancho Cucamonga, the City's water supplier has been required to reduce without taking into consideration water supplies stored in the Chino Basin, an adjudicated basin, for the purpose of being able to serve the water users during a drought without drastic supply cutbacks. The stored water is available in the aquifer due to the foresight of the water retailer and at the expense of its ratepayers. That stored water is a stranded public asset because its availability and use is not considered in this Board's conservation regulations. There are many water retailers in adjudicated basins in the same position. To equitably deal with this circumstance, the regulations should be modified to take into account such stored water available to a retailer to deal with drought.

We appreciate your anticipated attention to the suggested modifications discussed in this letter.

Very truly yours,



James L. Markman
City Attorney, Cities of Brea and Rancho Cucamonga
and Counsel to the City of Beverly Hills on Water Issues

Attachment 2

Proposed Regulatory Framework for Extended Emergency Regulation for Urban Water Conservation

Background:

On April 1, 2015, Governor Brown issued the fourth in a series of executive orders on actions necessary to address California's drought. On May 5, 2015, the State Water Resources Control Board (State Water Board) adopted an Emergency Regulation to address specific provisions of the April 1 Executive Order, including a mandatory 25 percent statewide reduction in potable urban water use between June 2015 and February 2016. To reach the statewide 25 percent reduction mandate, the Emergency Regulation assigns each urban water supplier a conservation tier that ranges between 4 and 36 percent based residential per capita water use for the months of July – September 2014.

At the time the State Water Board adopted the current Emergency Regulation some urban water suppliers had proposed further refinement to the conservation tiers to reflect a range of factors that contribute to water use. State Water Board Resolution No. 2015-0032 directed staff to work with stakeholders to further develop and consider these factors, including but not limited to temperature, growth, use of drought resilient supplies, and others for adjustment to the Emergency Regulation should it need to be extended into 2016.

On November 13, 2015, Governor Brown issued Executive Order B-36-15 (EO B-36-15) calling for an extension of urban water use restrictions until October 31, 2016, should drought conditions persist through January 2016. Between August and November 2015 State Water Board staff convened a small group of individuals representing a variety of water interests to further explore potential modification of the Emergency Regulation. The State Water Board also held a public workshop on December 7, 2015, to solicit input on elements of the existing Emergency Regulation, if any, that should be modified. The stakeholder process and workshop led to development of several proposals for modification of the Emergency Regulation, which are discussed below, along with staff recommendations.

Staff recommendations are based on the criteria that modifications to the Emergency Regulation be transparent, intelligible, equitable, reasonable, provide sufficient water savings statewide, and be feasible to implement and enforce. As directed by the Governor in EO B-36-15, this proposal would extend until October 31, 2016 restrictions to achieve a statewide reduction in urban potable water usage.

Climate adjustment:

Stakeholder Proposal: Water suppliers in warmer climates would be granted a reduced conservation standard based on their service area evapotranspiration (ET) relative to statewide average ET. The adjustments would be calculated by multiplying the deviation from average ET by the water supplier's conservation standard and would range from a 0-15 percentage point decrease to suppliers existing conservation requirement. As proposed, no supplier would have their standard increased.

Staff Recommendation: **Incorporate a climate adjustment in the Emergency Regulation that reduces the conservation requirement by up to 4 percentage points for water suppliers located in**

the warmest regions of the State. The climate adjustment would be based on each urban water supplier's approximate service area ET for the months of July through September as compared to statewide average ET for the same months. The adjustment would range from a 2-4 percentage point decrease in an urban water supplier's conservation requirement depending on service area ET as follows:

Deviation from Average ET	Reduction in Conservation Standard
>20%	4%
10 to 20%	3%
5 to <10%	2%

Default service area ET will be based on the California Irrigation Management Information System (CIMIS) Mapped ET Zone for which the supplier's service area has the greatest overlap. Each Urban Water Supplier will have the opportunity to refine its service area ET using specific data from CIMIS stations within its service area, provided each station used has a continuous period of record of at least 5 years.

Staff estimates that this adjustment will result in 1.4 percentage point reduction in statewide water savings from that currently required.

Example Calculation of Climate Adjustment

Original Conservation Requirement	32%	
Statewide Average ET Jul-Sep	6.13	inches
Service Area Average ET Jul-Sep (Zone 17)	8.4	inches
Service Area % Deviation from Average ET = $1 - (6.13/8.4)$	0.27 or 27%	
Climate Adjustment	-4%	
Adjusted Conservation Requirement	28%	

Growth adjustment:

Stakeholder Proposal: Each urban water supplier's 2013 baseline water use would be increased to account for growth in new service connections since 2013. The volume of water per connection in 2013 would be calculated (based on total use divided by number of connections) and multiplied by the number of connections added since 2013. This volume of water could be added to the 2013 baseline to account for new growth, resulting in a decrease to the supplier's conservation volume requirement but not its conservation standard.

Staff Recommendation: **Provide a mechanism to adjust urban water supplier conservation standards to account for water efficient growth since 2013.** The adjustment will be equal to the ratio of the additional volume of water used since 2013 to the baseline water use for 2013, multiplied by the water supplier's conservation standard. The volume of water added due to growth will be calculated as the sum of:

1. Number of new residential connections since 2013 multiplied by 165 gallons (55 gallons per person per day multiplied by three people) multiplied by 270 days.
2. Area of new residential landscaped area (square feet) served by connections since 2013 multiplied by 55% of total service area ET (inches) for the months of February through October multiplied by a conversion factor of 0.623 (converting inches to gallons).
3. Number of new commercial, industrial, and institutional (CII) connections since 2013 multiplied by the average commercial industrial, and institutional water use per connection during February through October 2015.

Staff estimates that this adjustment will result in about a one percentage point reduction in statewide water savings compared to the current requirements, assuming that growth has increased by 4% since 2013 for every urban water supplier.

Example Calculation of Growth Adjustment

# of new residential connections since 2013	4,000	
Residential landscaped area served by connections since 2013	10,000,000	sq. feet
Total ET February through October	44	inches
Volume of water attributable to new residential connections = [4000*165*270] + [10,000,000 * 44 *0.55*0.623]	328,966,000	gallons
# of new commercial, industrial, and institutional connections since 2013	700	
Average use per CII connection Feb-Oct 2015	900,000	gallons
Volume of water attributable to new CII connections = 700 * 900,000	630,000,000	gallons
Total volume of water attributable to growth since 2013	958,966,000	gallons
Baseline 2013 total water production Feb-Oct	16,000,000,000	gallons
Gallons of water attributable to growth	958,966,000	gallons
Percentage change in potable water production due to growth	6%	
Original Conservation Requirement	36%	
Adjusted Conservation Requirement = .36 * [1-0.06]	34%	

Drought Resilient Sources of Supply Credit:

Stakeholder Proposal Suppliers would receive a credit for desalinated seawater or indirect potable re-use (IPR) water. The credit would come in the form of a one-to-one reduction from the calculated amount of water that needs to be saved under the Emergency Regulation. A supplier could deduct all water derived from desalination or IPR from their total savings requirement. San

Diego County Water Authority proposes a similar credit for Colorado River water received through long-term transfers of conserved water. No supplier would be allowed to have an effective conservation rate below 8%.

Staff Recommendation: Provide a one-tier (four percentage point) reduction to the conservation standard of urban water suppliers using new drought resilient water supplies. The credit would apply to urban water suppliers that certify, and provide documentation upon request, that at least 4 percent of its potable supply is comprised of indirect potable reuse of coastal wastewater (the creation and use of which does not injure another legal user of water or the environment) or desalinated seawater developed since 2013. Staff does not recommend extending this credit to Colorado River water received through long-term transfer of conserved water.

Staff estimates that this credit will result in about a 0.6 percentage point decrease in statewide water savings.

Non-potable Recycled Water Use Credit:

Stakeholder Proposal: This proposal would apply to suppliers that meet a large portion of irrigation demand with non-potable recycled water. These suppliers would be able to reduce their 2016 monthly potable water production by the ratio of non-potable recycled water use to total potable water production multiplied by their total water production and their conservation. Reducing 2016 total potable water production would have the effect of reducing the required volume of water saved.

Staff Recommendation: Staff does not recommend providing additional credit for non-potable recycled water use. Under the current Emergency Regulation, non-potable recycled water is not counted in total potable water production. Suppliers' conservation standards are based on residential use of potable water, and while suppliers have been generally expected to target outdoor irrigation as a means of achieving savings, high use of recycled water should not, by itself, prevent a supplier from meeting those standards with reductions from residential and non-residential customers. These suppliers have already realized the benefit of providing recycled water by not having that water counted as part of their total production and not having to reduce use of that water. Urban water suppliers that cannot meet their conservation standard due to a disproportionate share of recycled water use may pursue relief through the existing alternate compliance process on case by case basis.

Groundwater Credits:

Stakeholder Proposal: This set of proposals would provide credit for "sustainable" groundwater management and groundwater augmentation. Suppliers would provide verification that the groundwater supply is formally certified to meet certain eligibility requirements and then would be eligible to deduct certain groundwater use from their total potable production. In effect, the use of eligible groundwater would be counted the same as conserved water. There are four proposed credit scenarios: 1) Groundwater Banking; (2) Conjunctive Use; (3) "Sustainable" Groundwater Management; and (4) Adjudicated Basins. The proposals include requirements that would govern the use of the credits under each scenario.

Staff Recommendation: Staff does not recommend providing credits for groundwater use or management since the effect of such credits are not well-defined and are generally inconsistent with goal of conserving the state's remaining surface and groundwater supplies during the drought. While groundwater augmentation with surface water is a critical element of drought resilience, it is materially different than creation of new drought-resilient sources of supply, such as through indirect potable reuse of wastewater or seawater desalination. Using seawater and wastewater that, for example, would otherwise have been discharged to the ocean to create supply adds to existing surface and groundwater supplies, whereas groundwater augmentation uses water that was already part of existing freshwater resources. Moreover, the proposed groundwater management credits do not adequately demonstrate how other users of a groundwater basin, whether adjudicated or not, would be impacted from pumping by the supplier receiving a credit. Suppliers whose basins are replenished with imported water would place additional strain on those supplies by using more water under a credit system. Suppliers whose basins fill without imports may impact others by increasing pumping under a credit system. Even self-sufficient, adjudicated basins are not guaranteed to maintain all uses during an extended severe drought, where the next opportunity for recharge is unknown. Additionally, there is no credible estimate of how much credit would accrue for groundwater management and how that credit would impact statewide savings. Credit for sustainable groundwater management may be appropriate for a permanent regulation, and certainly will be addressed by the Sustainable Groundwater Management Act as that legislation is implemented, but it is not adequately transparent, intelligible, implementable, or reasonable for an Emergency Regulation of limited duration, the chief aim of which is to preserve existing surface and groundwater supplies through conservation while extreme drought conditions persist.

Regional Compliance Approach:

Stakeholder Proposal: This proposal would allow suppliers to jointly comply with their aggregated conservation standards as a single entity. Regions would be allowed to form, on a voluntary basis, based on the criteria for forming a SBx7-7 regional alliance, per Water Code Section 10608.28. A lead agency for the region would report the Regional Conservation Standard monthly to the State Water Board on behalf of the region. Each urban retail water supplier would also continue to report their individual monthly water use data. If a group as whole did not meet its regional conservation target, the suppliers would revert back to their individual requirements.

Staff Recommendation: Staff does not recommend providing an option for regional compliance because it will impede timely compliance and enforcement action by the Board and has the potential to reduce individual water supplier accountability. While a regional approach could help water suppliers provide a consistent message about a regional target to their customers, residents and businesses need to conserve differing amounts to achieve a supplier's reduction target, so the benefits of this approach are not well substantiated. There is no reason that suppliers (and their regional or wholesale partners) cannot develop consistent messaging under the current Emergency Regulation, such as limits on outdoor watering, nor does the current emergency regulation inhibit regionally-grouped suppliers or wholesalers from working together on messaging to encourage conservation. In addition, there are multiple drawbacks to the proposed regional approach. First, it would impede the Board's enforcement and compliance efforts, by disallowing the Board from using its enforcement tools to timely address the shortcomings of an individual supplier if that supplier's region was meeting its target. In the case where a region dropped out of compliance late

in the 270 day life of the regulation, the Board would have little time to institute corrective actions for the individual suppliers. Second, it could encourage regional agencies to focus efforts on additional conservation savings in high-performing communities rather than on steps to change the conservation behaviors of poorer performing communities in order to meet the regional target. Finally, the regional approach would undermine the direct accountability for water supply managers established through the existing regulation. Staff encourages suppliers to work together on messaging and outreach, but believes the drawbacks of a regional approach outweigh any potential benefits.

Elimination of Commercial Agriculture Exclusion:

Stakeholder Proposal: The current Emergency Regulation allows water supplied for commercial agricultural use to be excluded from total potable production, if certain conditions are met. The proposal is to eliminate the exclusion or to change the definition of what constitutes commercial agricultural use to prevent exclusion of water attributable to noncommercial agricultural use or non-agricultural use that may be excluded improperly.

Staff Recommendation: **Staff recommends modifying the Commercial Agriculture Exclusion to require certification that customers whose water use is subtracted under the exclusion produce a minimum of \$1,000 per year in revenue from agricultural sales and are not subtracting water used on ornamental landscapes.** This change would limit use of the exclusion for properties with minimal agricultural sales or mixed commercial agricultural and ornamental landscape use. The \$1,000 threshold is consistent with the US Department of Agriculture's definition of a farm.¹

Staff estimates the existing agricultural exclusion has resulted in about an 11,000 acre feet reduction in conserved water since June 2015. Modifying the commercial agriculture exclusion as proposed could result in a slight increase of conserved water.

Exemption for regions without drought conditions and no exports/imports:

Stakeholder Proposal: This proposal would allow isolated hydrogeological regions that do not have drought conditions and do not import or export water to be excluded from the conservation standard element of the Emergency Regulation. Suppliers would apply to the State Water Board for an exemption from the conservation standard and provide verification that water resources in these regions are not available to benefit other regions.

Staff Recommendation: **Staff does not recommend exempting or relaxing conservation requirements for isolated hydrogeologic regions.** The current Emergency Regulation contains a reserved four percent tier for suppliers that can demonstrate multiple years of supply and no use of imported water and groundwater. Staff continues to believe the four percent tier is adequate and appropriate for an extended Emergency Regulation given the uncertainty of the state's surface and groundwater suppliers during the drought.

Revisions for suppliers with significant seasonal or transient populations:

¹ See <http://www.ers.usda.gov/topics/farm-economy/farm-household-well-being/glossary.aspx>, accessed December 11, 2015.

Stakeholder Proposal: The Emergency Regulation assigned conservation tiers based on R-GPCD during the months of July, August, and September 2014. The proposal is to re-assign tiers based on 12 months of R-GPCD data, because some areas, mainly the desert regions, have the highest population during the winter months.

Staff Recommendation: **Staff does not recommend changing the process for assigning conservation tiers to account for year round residential per capita water use because it would reduce the regulation's current emphasis on saving water where outdoor use is highest.** In addition, this proposal would in effect provide allowances for properties that are unoccupied for part of the year but irrigated year-round. However, staff proposes to update each water suppliers R-GPCD values using the most up to date July-September 2014 data that had been provided as of January 1, 2016. Water suppliers have also been encouraged and allowed to correct any inaccurate data and provide modified population information to account for monthly changes in population.

A Cap on Credits and Adjustments:

Staff recommends that all credits and adjustments be capped to allow up to a maximum of a four percentage point decrease to any individual water supplier's conservation standard (tier).

Staff Recommendations on Other Elements of an Extended Emergency Regulation:

Staff recommends maintaining other elements of the current Emergency Regulation in the extended Emergency Regulation. These elements include the alternate compliance approach, the statewide prohibited end-uses, the monthly reporting requirements for urban water suppliers, and the conservation and reporting requirements for small suppliers. Staff proposes that small suppliers again be required to report after six months of conservation under a readopted emergency regulation.

Staff also recommends, based on feedback from both suppliers and the general public, adding a prohibition against homeowners' associations interfering with certain conservation actions of their association members in violation of existing law.

Next Steps:

- Comments are due on this proposed regulatory framework by January 4, 2016
- A draft Emergency Regulation will be released for public comment in mid-January 2016
- State Water Board consideration of an extended emergency regulation is anticipated in early February 2016.

Input Requested: The State Water Board is interested in receiving feedback on this proposed regulatory framework. Please submit comments with the subject line: "Comments on Proposed Regulatory Framework" by email to: Kathy Frevert at Kathy.Frevert@waterboards.ca.gov by **January 6, 2016.**