August 15, 2017

The Honorable Robert M. Hertzberg Chairman, Senate Committee on Natural Resources and Water State Capital, Room 5046 Sacramento, CA 95814

Re: Comments on Legislation Necessary to Implement the Governor's "Making Water Conservation a California Way of Life" Framework

Dear Chairman Hertzberg:

On behalf of the City of Santa Rosa I am writing in response to your request at the July 11, 2017 hearing of the Senate Committee on Natural Resources and Water for comments and perspectives on the Committee's intent to enact legislation necessary to help make water conservation a California way of life.

The City of Santa Rosa is an urban retail water supplier servicing approximately 175,000 residents in Sonoma County. Santa Rosa has a long-standing commitment to drought preparation and water use efficiency, recognizing the vital role that long-term drought preparation and continued improvement in water use efficiency provide in maintaining a resilient water supply.

The City is a member of the Association of California Water Agencies (ACWA), which is the largest statewide coalition of public water agencies in the country, representing more than 430 agencies that collectively are responsible for 90% of the water delivered across California. We fully support the comments and perspectives provided by ACWA in their detailed letter provided to you on July 21, 2017.

Since January 2017, City staff has been working with many water agencies across the state to develop comprehensive legislation to implement Governor Brown's framework for "Making Conservation a California Way of Life." Through this collaborative process, AB 968 and AB 1654, authored by Assemblymember Blanca Rubio (D-West Covina), were introduced to ensure continued improvement in long-term urban water use efficiency while strengthening drought preparedness and water shortage response.

AB 968 and AB 1654, supported by more than 100 entities, established new water use targets for urban retail water suppliers and enhanced drought planning, preparation, and reporting requirements, consistent with the Governor's policy objectives established in the framework. Additionally, the two bills preserved local authority— where experience, expertise and customer relationships are maintained.

The two bills were broadly supported because they were guided by the following principles, which were developed by a broad group of water agency stakeholders working closely with ACWA, and should be the foundation for any legislation implementing the Governor's "Making Water Conservation a California Way of Life."

Policy Principles Related to Long-Term Water Use Efficiency and Drought Planning

Long-Term Water Use Efficiency:

- Preserve the Legislature's authority over long-term water use efficiency target setting. State agencies should **not** be granted the authority to set and revise water use efficiency targets. Commercial, industrial, and institutional (CII) performance measures must be determined by a broad stakeholder task force and not state agencies.
- Ensure that any water use efficiency target setting approach is flexible to account for the diversity among California's communities and the urban retail water suppliers that serve them. Legislation must include alternative pathways or functional equivalents to compliance, variances, and criteria for the data to be collected.
- 3. Protect water rights and preserve a water supplier's ability to use water it has a right to access.
- 4. Protect and create incentives for the further development of potable reuse and recycled water.
- 5. Provide for appropriate, progressive enforcement authority that accounts for urban retail water suppliers' authorities and responsibilities relative to their customers. The focus should be on corrective action instead of cease-and-desist orders.

Shortage Response Planning:

- 6. Preserve local decision-making to determine actions to avoid or mitigate shortages. The state should not dictate what actions are to be taken at any stage or specific actions that must be included in a water shortage contingency analysis.
- 7. Preserve and encourage investments in resilient water supplies. Potable reuse, recycled water, and desalination should all be considered fully reliable.
- 8. Ensure that annual water supply and demand assessments are based on and accurately reflect local conditions.
- 9. Maintain the existing legislative intent and challenge period for urban water management plans.
- 10. Recognize that energy use is only one aspect of water supply planning.

The City of Santa Rosa recommends that the legislation be designed to 1) improve urban water use efficiency, and 2) identify demand management and supply augmentation measures that urban retail water supplies will utilize to address water supply shortages.

Improvements in urban water use efficiency should be measured at the urban retail water supplier level based on water use that is considered reasonable and efficient. The legislation should have a goal of reducing the wasteful use of water rather than seeking to reduce the total volume of water served for uses that are reasonable and efficient.

The legislation should also ensure that urban water suppliers engage in drought planning that better prepares them to respond to drought and other water shortages. Any legislation modifying urban water management plans and water shortage contingency analysis requirements should result in usable documents for the supplier and not simply a compilation of hypothetical modeling or academic analyses. The legislation should also consider the benefits and burdens of mandatory reporting requirements placed on urban water suppliers.

Thank you for soliciting stakeholder input and taking our comments and perspectives into consideration as you draft legislation that is consistent with the Governor's vision of "Making Conservation a California Way of Life." The City supports the Legislature's commitment to engaging water suppliers and stakeholders around the state as legislation is developed to help secure a sustainable and resilient water future that protects local authority and includes sensible approaches to improving water use efficiency and enhancing drought planning and preparation.

If you have any questions, please contact Jennifer Burke, Deputy Director of Water and Engineering Resources at (707) 543-3359 or jburke@srcity.org.

Sincerely,

Chris Coursey Mayor, City of Santa Rosa

 CC: The Honorable Eduardo Garcia, Chairman, Assembly Committee on Water, Parks and Wildlife The Honorable Members, Senate Committee on Natural Resources and Water The Honorable Members, Assembly Committee on Water, Parks, and Wildlife The Honorable Nancy Skinner, Member, California State Senate The Honorable Members, Assembly Water Conservation Working Group The Honorable Assemblyman Mark Levine, 10th District The Honorable Assemblyman Jim Wood, 2nd District The Honorable Senator Mike McGuire, 2nd District Mr. Kip Lipper, Chief Policy Advisor, Office of the Senate President Pro Tem Mr. Alf Brandt, Senior Counsel, Office of the Assembly Speaker Mr. Dennis O'Connor, Principal Consultant, Senate Environmental Quality Committee Ms. Catherine Freeman, Chief Consultant, Assembly Committee on Water, Parks, and Wildlife Mr. Ryan Ojakian, Senior Consultant, Assembly Committee on Water, Parks, and Wildlife Mr. Michael Bedard, Chief of Staff, Office of Senator Robert Hertzberg Ms. Kim Craig, Deputy Cabinet Secretary, Office of the Governor Mr. Gordon Burns, Undersecretary, CalEPA