

REVISED



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# Update on Making Conservation a California Way of Life Regulatory Framework

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## Background

- Senate Bill 606 & Assembly Bill 1668 – Develop a regulatory framework aimed at reducing urban water use state-wide
- DWR provides regulation recommendations to the State SWRCB that include:
  - Efficiency standards for each Urban Retail Water Supplier
  - Performance measures for commercial, industrial, and institutional (CII) water use

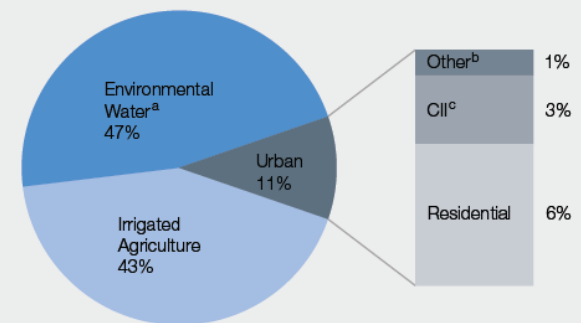


## Background

- SWRCB begins formal rulemaking process August 28
- Draft proposed regulation includes an Urban Water Use Objective (UWUO) for each water supplier

Figure 2

### Average Annual Water Use in California Water Years 2018-2020



<sup>a</sup> Environmental water includes water used for managed wetlands, minimum required Delta outflow, instream flow requirements, and Wild and Scenic Rivers.

<sup>b</sup> Other includes urban water used for conveyance, groundwater recharge, and energy production.

<sup>c</sup> CII includes urban water used by businesses, manufacturers, and public-serving entities, such as schools, as well as for large landscapes, such as parks.

Note: Amounts may not add due to rounding.

CII = Commercial, Industrial, and Institutional.

LAOA



## Urban Water Use Objective (UWUO)



Indoor Residential  
Water Budget



Outdoor Residential  
Water Budget



CII-DIM Outdoor  
Water Budget



Water Loss  
Budget



**Adjustments if  
applicable:**  
*Variances, Temporary  
Provisions, and/or  
Bonus Incentive*

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# Residential Indoor Water Use

**Indoor Residential Water Budget (gal/yr) = Indoor Residential Standard x Population x 365 days**

The **Indoor Residential Standard** is the maximum allowed indoor water use measured in gallons per capita per day (GPCD). It is intended to represent efficient use. The Indoor Residential Standard will decrease over time.

*Indoor Residential Standard by year*

Compliance Year	Allowable GPCD
2020-2024	55
2025-2029	47
2030 onward	42

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# Residential Outdoor Water Use

$$\text{Outdoor Residential Water Budget (gal/yr)} = \text{LAM} \times \text{LEF} \times (\text{ETo} - \text{Peff}) \times 0.62$$

Factor	Definition
<b>LAM</b>	<p>Landscape Area Measurement includes the following landscape types:</p> <ul style="list-style-type: none"> <li>◦ Irrigable-Irrigated (II),</li> <li>◦ Irrigable-Not-Irrigated (INI) – up to 20% until LAM data is updated,</li> <li>◦ Special Landscape Areas (SLA), and</li> <li>◦ New Construction</li> </ul> <p>Aggregate data provided by DWR for all designations except for new landscapes installed beginning 1/1/2019.</p>
<b>LEF</b>	Outdoor Residential Standard or landscape efficiency factor (unitless).
<b>ETo</b>	Reference Evapotranspiration (inches per year). Provided annually by DWR.
<b>Peff</b>	Effective Precipitation (inches per year). Capped at 25% of total precipitation and provided annually by DWR.
<b>0.62</b>	Conversion Factor to generate units in gallons per year.

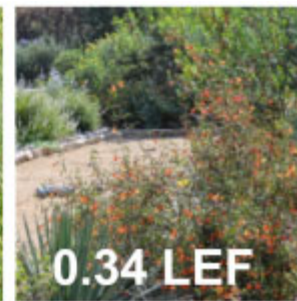
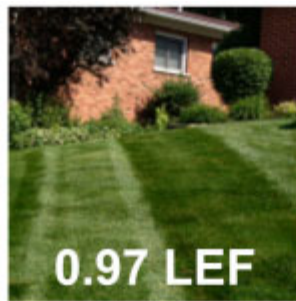
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## Residential Outdoor Water Use cont.

Compliance Start Date	Irrigable-Irrigated (II)	Irrigable-Not -Irrigated (INI)	Special Landscape Areas (SLA)	New Construction (post 1/1/2019)*
July 1, 2025	0.80	0.80 until LAM data updated	1.0	0.55
July 1, 2035	0.63	N/A assumes LAM data updated	1.0	0.55
July 1, 2040	0.55	N/A assumes LAM data updated	1.0	0.55

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Source: Adapted from State Water Resources Control Board Public Workshop October 4, 2023



## CII Landscapes with Dedicated Irrigation Meters

$$\text{CII Residential Water Budget (gal/yr)} = ((\text{DIM LA} - \text{DIM SLA}) \times \text{LEF}) + (\text{DIM SLA} \times 1.0) \times (\text{ETo-Peff}) \times 0.62$$

Factor	Definition
DIM LA	Landscape Area Measurement includes the following landscape types: <ul style="list-style-type: none"><li>◦ Irrigable-Irrigated (II) of parcels served by dedicated irrigation meters</li></ul>
DIM SLA	Landscape Area Measurement for <b>CII Special Landscape Area</b> includes the following landscape: <ul style="list-style-type: none"><li>◦ Public pools</li><li>◦ Recycled water</li><li>◦ Engineered slopes</li><li>◦ Active - passive recreation</li><li>◦ Edible plants</li><li>◦ Supplemental water</li><li>◦ Cemeteries</li></ul>

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## CII Landscapes with Dedicated Irrigation Meters cont.

Factor	Definition
LEF	Outdoor CII Standard or landscape efficiency factor (unitless).
ET <sub>o</sub>	Reference Evapotranspiration (inches per year). Provided annually by DWR.
Pe <sub>eff</sub>	Effective Precipitation (inches per year). Capped at 25% of total precipitation and provided annually by DWR.
0.62	Conversion Factor to generate units in gallons per year.

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## CII Landscapes with Dedicated Irrigation Meters cont.

Compliance Start Date	Irrigable-Irrigated (II)	Special Landscape Areas (SLA)	New Construction (post 1/1/2019)*
July 1, 2025	0.80	1.0	0.45
July 1, 2035	0.63	1.0	0.45
July 1, 2040	0.45	1.0	0.45

*\*Applies to CII-DIM accounts subject to MWELO. See 23 CCR Section 495 (b)(6)*

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## Water Loss

	Current	2030 Regs	2035 Regs
Real water loss (gal/conn/day)	1.7	12.7	12.7



## CII Performance Measures

Action	Compliance Start Date
Classification of CII properties to align with ENERGY STAR Portfolio Manager categories plus 4 additional categories	2027
Deploy Best Management Practices (BMPs) for top water CII users (three possible track options are provided for suppliers.)	2039
DIM installation or in-lieu technologies on large landscapes (threshold = 1/2 acre landscape. Note this includes identifying and measuring all CII landscapes)	2039

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## Rulemaking & Key Dates

Date	Action
August 18, 2023	SWRCB released Proposed Regulatory Text for Making Conservation a Way of Life
November – December 2023	First Public Comment Period <ul style="list-style-type: none"><li>Authority submits comment letter to SWRCB (Attachment 2)</li></ul>
March 12, 2024	SWRCB released updated Proposed Regulatory Text for Making Conservation a California Way of Life
March 12 – March 27, 2024	Second Public Comment Period <ul style="list-style-type: none"><li>ACWA coalition letter submitted with Authority as signatory</li></ul>



## Rulemaking & Key Dates cont.

Date	Action
May 20, 2024	SWRCB released updated Proposed Regulatory Text for Making Conservation a Way of Life (version 3)
May 20 – June 4, 2024	Third Public Comment Period
Summer 2024	Consideration for adoption
January 1, 2025	Rule becomes effective, if adopted

- Version 3 additions/changes:
  - Anti-backsliding provisions
  - Tree provisions
  - Other miscellaneous changes



## Legislative Analyst's Office Report

- SB 606 required the state's LAO to submit a report on implementation of the proposed regulation
- Released January 2024
- Identified key areas where the proposed regulation will present challenges for water suppliers



## Legislative Analyst's Office Report cont.

### Challenges for water suppliers:

- Adds significant costs
- Could disproportionately affect lower-income customers
- Adds complexity
- May be difficult to achieve for some water suppliers
- Builds in aggressive timelines for implementation





## Legislative Analyst's Office Report cont.

- At full implementation proposed regulations are estimated to result in a water-savings of 1% of total state water use
- Report released prior to update to regulatory text
  - Challenges identified in the report still considered valid



## Anticipated Impacts

- The Authority does not at this time anticipate any reduction in water use will be necessary to meet the agency's UWUO
- Anticipated impacts include:
  - Significant staff time to comply with regulatory implementation
  - Potential financial resources
    - Robust CII requirements, including DIM conversion and implementing CII Performance Measures



## Outreach to customers

- Communication with customers is an important step in implementation
- Outreach will include:
  - Customer newsletter
  - Website
  - Speaking points
  - Potential for discussion at CAWG



# Questions?

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