2018 Water Conservation Legislation

SB 606 (Hertzberg) and AB 1668 (Friedman)

Background and Implementation

Diana S. Brooks
California Water Commission
11/14/2018
New Water Conservation Ethos Growing in California
Drought & Conservation Milestones

2014
- Governor declares Drought State of Emergency (Jan)
- California Water Action Plan released (Jan)
- Sustainable Groundwater Management Act (SGMA) of 2014
- Proposition 1 $7.5 billion water bond (Nov)

2015
- EO B-29-15 mandates 25% cutbacks in urban water use (April)

2016
- EO B-37-16 directs 5 State agencies to develop a long term conservation framework

2017
- Final Report “Making Water Conservation a California Way of Life” released (April)
- Report recommendations being considered in legislation (May/June)

2018
- AB 1668 (Friedman) & SB 606 (Hertzberg) signed into law (May)
2018 Water Conservation Legislation

SB 606 (Hertzberg) and AB 1668 (Friedman)
• Signed by Governor Brown on May 31, 2018.
• Two bills are a package, and together, provide complementary authorities and requirements.
• Cover urban and agricultural water conservation and drought planning.
• Affect urban water suppliers, agricultural water suppliers, and small water systems and rural communities.

New legislation does not change existing implementation of SB X7-7 (Water Conservation Act of 2009), but it goes further.
• Meeting the 20% by 2020 targets still required.
• New water use objectives must exceed conservation achieved by 20x2020 targets.
Make Water Conservation a California Way of Life (AB 1668 and SB 606)

Urban Water Use Efficiency
- Urban water use objectives (targets) based on efficiency standards
- Commercial, industrial, and institutional (CII) performance measures

Drought Resiliency
- Water shortage contingency planning
- County drought planning for small systems and rural communities

Agricultural Water Use Efficiency
- Enhanced Agricultural Water Management Planning
State ahead of 20% by 2020 Goals in 2015

Urban water suppliers reported an average per capita water use of 133 GPCD in 2015, a 33 percent reduction from the baseline conditions set for SB X7-7 and well below the interim target of 179 GPCD and the final target of 159 GPCD.

Figure 3-1. Conservation Targets under SB X7-7 Compared with Actual Conservation
Urban Water Use Efficiency

Urban water use objectives

• New water use objective is based on efficiency or performance standards, and not a percentage reduction from a baseline

• These efficiency standards are used to calculate a water use objective, or budget, that is based on estimated efficient water use for each urban retail water supplier

• New water use objective is the sum of aggregate estimated efficient:
  • Indoor water use
  • Outdoor residential irrigation
  • CII Landscape Irrigation with dedicated meters
  • Water Loss
  • Variances
Urban Water Use Efficiency Standards

- Indoor water use standard (in statute)
- Outdoor water use standards to be developed by DWR, and adopted by Water Board in 2022
  - Urban residential outdoor water use standard
  - CII landscape irrigation standard for landscape areas with dedicated meters
- Distribution system water loss standard to be adopted by Water Board by July 2020 pursuant to SB 555 process
- Variances to be developed by DWR, and adopted by the Water Board (2022)
Agency Coordination, Public Outreach and Stakeholder Engagement

- SB 606 and AB 1668 include many specifications on agency coordination, public outreach and stakeholder engagement during implementation.
  - Five-Agency Coordination Team (ACT)
  - Topic-specific stakeholder and advisory groups; for example:
    - UAG (Urban Advisory Group)
    - AAG (Agricultural Advisory Group)
    - CDAG (Countywide Drought Advisory Group)
  - Public workshops and meetings
  - Project websites and data portals

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Primer as a Reference Document

• **Purpose:** To summarize authorities, requirements, and schedules included in new legislation. Where appropriate, roles and responsibilities of State agencies, water suppliers, and other parties are highlighted.

• New authorities and requirements are summarized and organized by primary goal

• Appendix A: Summary of Actions **Mandated** by 2018 Legislation

• Appendix B: Major State Agency Tasks for Implementation

• Appendix C: Major Water Supplier Tasks for Implementation

Developed by DWR and State Water Board
Urban Water Use: Milestone Schedule for Major Products and Actions

DWR

By Jan. 1, 2020
Recommendation on Water Loss Reporting Requirements by Urban Wholesale Water Suppliers

By Jan. 1, 2021
Recommendation on Indoor Residential Use Standard

By Oct. 1, 2021
Recommendations on:
- Outdoor Residential Use Standard
- Standard for CII Outdoor Landscape Area with Dedicated Irrigation Meters
- Appropriate Variances
- Guidelines and Methodologies for Calculating Urban Water Use Objectives
- Performance Measures for CII Water Uses

By Jan. 1, 2021
Measurements for Residential Irrigable Lands with Validation for Accuracy

By Oct. 1, 2021
Data Related to Unique Local Conditions for Calculating Urban Water Use Objectives

1 No specific date in the Legislation — assumed to match the date for standard recommendations.
2 No specific date in the Legislation — assumed to match the date for standard adoption.
3 Per CWC § 13561.34, adoption of water loss standard does not require a recommendation from DWR.

Legislature

Indoor Residential Use Standards Effective on January 1, 2025, as Provided by CWC §10609.4

By Jan. 10, 2024
Review of Implementation of Urban Water Efficiency Standards

By Jan. 1, 2026
Legislative Analyst

Joint Policy Committee Hearing on Implementation of Urban Water Use Standards and Water Use Reporting Requirements with Attendance by State Water Board and DWR

State Water Board

By Jul. 1, 2020
Adoption of Water Loss Standard

By Jun. 30, 2022
Adoption of:
- Outdoor Residential Use Standard
- Standard for CII Outdoor Landscape Area with Dedicated Irrigation Meters
- Performance Measures for CII Water Uses

By Jun. 30, 2022
Adoption of:
- Appropriate Variances
- Guidelines and Methodologies for Calculating Urban Water Use Objectives

Urban Retail Water Suppliers

By Jul. 1, 2021
UWMP Update Incorporating Water Loss Standard Implementation and Demand Management to Meet 2027 Urban Water Use Objective

By Nov. 1, 2023
Annual Report on Urban Water Use Objective and Actual Use

By Jan. 1, 2024
UWMP Supplement Incorporating Other Water Use Efficiency Standard Implementation

PUBLIC REVIEW DRAFT
Make Water Conservation a California Way of Life (AB 1668 and SB 606)

Urban Water Use Efficiency

• Urban water use objectives (targets) based on efficiency standards
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Drought Resiliency

• Water shortage contingency planning
• County drought planning for small systems and rural communities

Agricultural Water Use Efficiency

• Enhanced Agricultural Water Management Planning
Residential Indoor Water Use Standard

- DWR Indoor Water Use Study and Report with Recommendations to Legislature by 1/1/2021
- Residential Indoor Water Use Standard set in statute (Section 10609.4)
  - 55 gpcd until 1/1/2025
  - No less than 52.5 gpcd until 1/1/2030
  - No less than 50 gpcd after 1/1/2030
Outdoor Water Use Standards

Residential and CII

• DWR Statewide Residential Landscape Area Measurement to urban water suppliers by 1/2021

• Development of outdoor water use standards for
  • Residential outdoor use
  • Landscape water use associated with CII dedicated-meters

• DWR recommends outdoor water use standards to Water Board
The New Legislation and Model Water Efficient Landscape Ordinance (MWELO)

• DWR will develop standards for:
  • outdoor residential water use that incorporate principles of MWELO (CWC 10609.6).
  • CII outdoor irrigation of landscape areas with dedicated irrigation meters, or other means of measurement, that incorporate principles of MWELO (CWC 10609.8).

• These standards will be used to calculate the outdoor water use component of a supplier’s water use objective.
• A model regulation that local land use authorities may adopt in full, or use as a guide for writing and adopting a local water efficient landscape ordinance which is “as least as effective” as the State’s

• Sets minimum standards for the design and installation of resource efficient landscapes applying primarily to
  • New developments
  • Retrofit landscapes requiring a permit

• First adopted in 1993 after stakeholder input

• Updated in 2010 and 2015

• Uses a water allowance approach
Water Loss Standard

- Per SB 555, the Water Board to set water loss performance standards by July 1, 2020.

- Annual Validated Water Loss Audit Reports now required.

- Those standards will also be used to calculate the water loss component of the new water use objectives.

- DWR to conduct a study on feasibility of wholesale water loss reporting with recommendations to Legislature by 1/1/2020.
Variances for unique water uses

DWR to develop and recommend variances, and thresholds of significance, for each of the following unique water uses:

- Evaporative coolers
- Horses and other livestock
- Seasonal populations
- Landscaped areas irrigated with recycled water
- Soil compaction and dust control
- Ponds and lakes to sustain wildlife
- Irrigation of vegetation for fire protection
- Agricultural use
- Others TBD
"Bonus Incentive" for Potable Reuse

Eligibility
Delivery of water from a groundwater basin, reservoir, or other source that is augmented by potable reuse water.

The bonus incentive is a credit
A volume of a supplier's potable reuse delivered to residential water users and CII landscape areas with dedicated irrigation meters, on an acre-foot basis.

Maximum “bonus incentive” is a percentage of the supplier’s water use objective
• 10% from new facilities, or
• 15% from existing facilities
Calculating Urban Water Use Objective

Urban Retail Water Supplier’s Urban Water Use Objective (CWC §10609.20(c))

- Aggregate estimated efficient indoor residential water use
- Aggregate estimated efficient outdoor residential water use
- Aggregate estimated efficient outdoor irrigation of landscape areas with dedicated irrigation meters or equivalent technology in connection with CII water use
- Aggregate estimated efficient water losses
- Aggregate estimated water use for variances approved by the State Water Board

+ Allowable Bonus Incentive Adjustments (CWC §10609.20(d))

- Volume of potable reuse water from existing facility, with completed environmental review by January 1, 2019, that becomes operational by January 1, 2022, not to exceed 15% of urban water use objective
- Volume of potable reuse water from new facility, not to exceed 10% of urban water use objective

= Urban Retail Water Supplier’s “adjusted” urban water use objective for annual reporting purposes and comparison to the actual water use in the previous year

See Primer (p.13)
Water Board may issue the following types of orders on a supplier not meeting its water use objective.

- Information order (11/2023 on)
- Written warning notice (11/2024 on)
- Conservation order (11/2025 on)
- Penalties for violating Water Board orders (11/2027)
Make Water Conservation a California Way of Life (AB 1668 and SB 606)

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Agricultural Water Use Efficiency
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New CII performance measures will be set to ensure efficient water use in these sectors

- DWR to perform studies and develop recommendations to Water Board based on stakeholder input by 10/2021
  - CII water use classification system
  - Setting minimum size thresholds for converting mixed CII meters to dedicated irrigation meters or in lieu technologies
  - CII best management practices
  - Recommendations must be consistent with 2013 CII Task Force Report
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Agricultural Water Use Efficiency
- Enhanced Agricultural Water Management Planning
Drought Resiliency
Urban Water Suppliers

• **Strengthened WSCP requirements**
  • Legislative intent for Water Board to defer to implementation of locally adopted WSCPs to extent possible in case of a declared Drought Emergency

• **Five-year drought risk assessment**
  • Part of Urban Water Management Plans (UWMPs) starting with 2020 UWMP due 7/2021
  • Examines water shortage risks based on the driest five-year historic sequence for the agency’s water supply

• **Annual water supply and demand assessment**
  • Looks at current year and one or more dry year in determining water shortage risks
  • Includes information on anticipated shortage, triggered shortage response actions, compliance and enforcement actions and communications consistent with supplier’s WSCP
  • Due June 1 every year
  • DWR summary report to Water Board by September 30 each year.
Statewide drought planning process for small water suppliers and rural communities will be initiated. By January 2020, DWR will:

- Identify small suppliers and rural communities at risk of drought and water shortage vulnerability.
- Propose recommendations to address drought contingency planning for small water suppliers and rural communities in Report to the Governor.
Urban Water Suppliers
New Reporting Requirements

- **2020 Urban Water Management Plans**
  - Drought Risk Assessment
  - New Water Shortage Contingency Plans
  - July 1, 2021

- **Annual Water Supply and Demand Assessment**
  - June 1, 2022

- **Annual Urban Water Use Report Water use objective**
  - Nov 1, 2023

- **Supplement to 2020 UWMP**
  - Jan 1, 2024
Make Water Conservation a California Way of Life (AB 1668 and SB 606)

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Agricultural Water Use Efficiency

New Requirements

• Annual aggregated farm-gate delivery reporting by groundwater basin or sub-basin
• Expanded agricultural water management plans (AWMPs):
  • Annual water budgets
  • Quantification of efficiency of agricultural water use within service area
  • Enforceable Agricultural Water Management Plans (AWMPs)
  • Drought planning required in AWMPs
Urban Water Use Efficiency
State Agency Roles

**DWR** will work with Water Board and stakeholders to:

- Conduct studies on efficient indoor and outdoor water use, and feasibility of wholesale water loss reporting
- Provide parcel-level residential landscape area measurements to each urban water supplier
- Make recommendations to Water Board for adoption on standards, guidelines, methodologies, variances and CII performance measures
- Provide technical assistance
- Review urban water supplier annual reporting

**Water Board**, in coordination with DWR, will conduct rulemakings to adopt water loss standards (2020), landscape water use standards, guidelines and methodologies for water use objectives, variances and CII performance measures (2022).

**LAO** reports on implementation of water use objectives by January 2024.

**DWR and Water Board** to publish report to Legislature in January 2026.
Questions?

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