



Action Item: Approval to begin regular rulemaking process for Emergency Process Water Regulations.

Background

In December 2010, the California Water Commission approved the Emergency Industrial Process Water Regulation. The regulation is necessary to implement the provision of SBX7-7 that "an urban retail water supplier that has a substantial percentage of industrial water use in its service area may exclude process water from the calculation of gross water use to avoid a disproportionate burden on another customer sector." (WC § 10608.24) The emergency regulation, which was submitted to the Office of Administrative Law, became effective on December 17, 2010 and will be in effect for 180 days.

This item previously came before the Commission in January 2011. The Commission decided to postpone the decision until February 2011, when the entire package, including both documents that are incorporated by reference, was finalized.

Next Steps

The Department of Water Resources (DWR) is ready to begin the formal Permanent Rulemaking process for the Industrial Process Water Regulation. California Water Commission approval is required to submit the draft regulation package to the Office of Administrative Law (OAL) and begin the public comment period. There will be at least one public hearing and a public comment period of 45 days, during which DWR will continue to incorporate public feedback and further refine the process water regulation. Commission approval will be required at the end of the public comment period before the permanent regulation is submitted to OAL for notice.

The proposed text of permanent regulation is essentially the same as the emergency regulation adopted by the Commission in December 2010. However, the regulation now references two additional documents that were not cited in the emergency regulation package.

The first additional document is the *Methodologies for Calculating Baseline and Compliance Urban Per Capita Water Use*. This document, developed by DWR and the California Urban Water Conservation Council in a public and collaborative process, provides methodologies and criteria for calculating baseline daily per capita use; baseline commercial, industrial and institutional water use, gross water use, indoor residential water use, and other calculations to assist water agencies in determining their water use targets for the years 2015 and 2020, and meeting the statutory requirements for water conservation.

The second document provides an Alternate Target Method, also known as “Option Four” for calculating urban water use targets to meet the statewide 20 percent reduction by 2020. The SBX7-7 legislation requires that urban water suppliers reduce statewide water use 20 percent by the year 2020. The bill provides urban water suppliers with four options for calculating their target reduction. The first three options are defined in the legislation; DWR is tasked with creating a fourth option. The bill states:

A method that shall be identified and developed by the department, through a public process, and reported to the Legislature no later than December 31, 2010. The method developed by the department shall identify per capita targets that cumulatively result in a statewide 20-percent reduction in urban daily per capita water use by December 31, 2020. (WC §10608.20)

DWR staff has been working with a stakeholder group to develop Option Four. The current version, which staff will present to the Commission, has support from the stakeholders, and DWR staff is not aware of any significant opposition to the proposal.

Attachments

Attachment 1: Director’s Memo

Attachment 2: Text of Regulation

Attachment 3: [Methodologies for Calculating Baseline and Compliance Urban Per Capita Water Use](#)

Attachment 4: Alternate Target Method “Option 4”

Staff Recommendation

Staff recommends the Commission adopt a resolution approving the draft Industrial Process Water Regulation package including, by incorporation by reference, the *Methodologies for Calculating Baseline and Compliance Urban Per Capita Water Use* and the Alternate Target Method known as Option 4. Upon approval, the rulemaking package would be submitted to the Office of Administrative Law to begin the public comment period.

Contact

Manucher Alemi
Chief, Water Use and Efficiency Branch
Department of Water Resources
(916) 651-9662