

Draft Guidelines for Compliance with the Requirements of AB 1404 (2007) and SBx7-7 (2009)

Assembly Bill (AB) 1404 (Stats. 2007, ch. 675) amended Sections 5100, 5103, and 10004.6, and added Article 4.3 (connecting with Section 531) to Chapter 8 of Division 1 of, the Water Code, relating to water.

Section 531.10 (a) and (b) of the Water Code states that agricultural water suppliers shall submit an annual report to the Department of Water Resources (DWR) that summarizes aggregated farm-gate delivery data, on a monthly or bimonthly basis, using best professional practices, and nothing in this article shall be construed to require the implementation of water measurement programs or practices that are not locally cost effective.

Subsequently, California Water Code Section 10608.48(b)(1) required certain agricultural water suppliers to measure the volume of water delivered to customers with sufficient accuracy to comply with subdivision (a) of section 531.10, and to implement 10608.48(b)(2) by adopting a pricing structure for water customers based at least in part on quantity delivered.

Definitions of Terms (from AB 1404 and SBx7-7)

Agricultural Water Supplier

For the purpose of AB1404 requirements, section 531.1 defines “agricultural water supplier” as a supplier either publicly or privately owned, supplying 2,000 acre-feet or more of surface water annually for agricultural purposes or serving 2,000 or more acres of agricultural land. An agricultural water supplier includes a supplier or contractor for water, regardless of the basis of right, which distributes or sells water for ultimate resale to customers (Water Code Section 531.b)

For the purpose of SBx7-7 requirements, section 10608.12(a) defines “agricultural water supplier” as a water supplier, either publically or privately owned, providing water to 10,000 or more irrigated acres, excluding recycled water. “Agricultural water supplier” includes a supplier or contractor for water, regardless of the basis of right that distributes or sells water for ultimate resale to customers. “Agricultural water supplier” does not include the department.

Aggregated Farm-Gate Delivery Data

“Aggregated farm-gate delivery data” means information reflecting the total volume of water an agricultural water supplier provides to its customers and is

calculated by totaling its deliveries to individual customers (Water Code Section 531.a)

Farm-gate

“Farm-gate” means the point at which water is delivered from the agricultural water supplier’s distribution system to each of its customers (Water Code Section 531.f).

Best Professional Practices

“Best professional practices” means practices attaining and maintaining accuracy of measurement and reporting devices and methods (Water Code Section 531.d).

Not Locally Cost Effective

The present value of the local benefits of implementing a water demand management measure is less than the present value of the local costs of implementing that measure. (Water Code Section 10631.5 (a) (4) (B))

What Must an Agricultural Water Supplier Do to be Compliant with AB 1404 and SBx7-7?

1. For those agricultural water suppliers providing farm-gate delivery data to DWR, they must:
 - a. Provide DWR with aggregated monthly or bimonthly farm-gate deliveries on an annual basis, and
 - b. Provide DWR with information on their farm-gate measurement program or practices to document that
 - i) They are using “Best Professional Practices” if they are suppliers providing water to less than 25,000 irrigated acres, excluding acres that receive only recycled water.
 - ii) They measure water delivered to customers in accordance with DWR’s agriculture water measurement regulation if they are suppliers providing water to more than 25,000 irrigated acres, excluding acres that receive only recycled water.
 - iii) They measure water delivered to customers in accordance with DWR’s agriculture water measurement regulation when

funding is provided to them for the purpose, if they are suppliers providing water to 10,000 or more irrigated acres but less than 25,000 irrigated acres, excluding acres that receive only recycled water.

2. For those agricultural water suppliers not providing farm-gate delivery data to DWR, they must provide DWR with information that documents that the implementation of a program or practices to measure farm-gate deliveries using Best Professional Practices is not locally cost effective. Reporting is mandatory for those suppliers that provide water to more than 25,000 irrigated acres, excluding acres that receive only recycled water, and for those providing water to 10,000 or more irrigated acres but less than 25,000 irrigated acres, when funding is provided for the purpose of measurement.

Reporting Required Information

Agricultural water suppliers must submit the required information listed below to DWR using the attached form titled *Agricultural Farm-Gate Delivery Report*. The suppliers can use an electronic form, which may be found on DWR's website at: <http://www.water.ca.gov/wateruseefficiency/>

Section 1 is for reporting basic information about the water supplier.
Section 2 is for reporting the water supplier representative's contact information.
Section 3 is for reporting of the monthly or bimonthly aggregated farm-gate deliveries and to identify the Best Professional Practices used. Section 4 is for providing DWR with comments and explanations if the implementation of a farm-gate measurement program or practices using Best Professional Practices is not locally cost effective.

Information on “Best Professional Practices” and “Not Locally Cost Effective” for purpose of water suppliers <10,000 irrigated acres to comply with AB 1404

AB1404 defines “Best Professional Practices” as “Practices attaining and maintaining accuracy of measurement and reporting devices and methods”. It does not specify any method of measurement. The Water Code defines “Not Locally Cost Effective” as “The present value of the local benefits of implementing a water demand management measure is less than the present value of the local costs of implementing that measure”. The Water Code does not require DWR to develop any methods, or standards on “Best Professional Practices” or “Not Locally Cost Effective”, nor does it to require water suppliers to use any specific water measurement methods. The Water Code does not require DWR to evaluate or review any information provided by agricultural water suppliers.

As a technical assistance to water suppliers, DWR is providing different sources of information on “Best Professional Practices” and “Not Locally Cost Effective” to water suppliers.

The final report, “Independent Panel on Appropriate Measurement of Agricultural Water Use” (September 2003) contains information pertaining to farm-gate deliveries that could help a local water supplier in gaining more understanding about measurement programs and practices and their accuracies. It also includes some information related to costs and benefits of measurement programs and practices that might be helpful. The report can be found at: http://calwater.ca.gov/calfed/library/Archive_WUE.html.

The Agricultural Water Management Council’s website contains information on measurement and has links to other sites with additional information on water measurement. The website is located here: <http://www.agwatercouncil.org/Measurement/Measurement-Resources/menu-id-69.html>.

The costs and benefits of water measurement may be determined using the attached Appendix 1, “Benefit to Cost Ratio Estimation” spreadsheet. Instructions on the use of this method are located on DWR’s website: <http://www.water.ca.gov/wateruseefficiency/>.

Members of the Agricultural Water Management Council may also use the Net Benefit Analysis Tool to determine comprehensive benefits and costs for this practice. This method can be found on the Agricultural Water Management Council’s web site at: <http://www.agwatercouncil.org/>

Submitting the Annual Report

The completed form must be submitted by mail or e-mail to DWR on January 1 of each year beginning July 1, 2013. The completed forms should be sent to the following address:

Department of Water Resources
Water Use and Efficiency Branch
P.O. Box 942836
Sacramento, CA 94236
Attention: Feti Benjema

The completed electronic form may be submitted online at <http://www.water.ca.gov/wateruseefficiency/> or by e-mail to Feti Benjema at jema@water.ca.gov

This Guideline and the associated electronic form or any future submittal updates may be found on DWR's website at: <http://www.water.ca.gov/wateruseefficiency/>

Purpose of Use

The data collected by the Agricultural Farm-Gate Delivery Report will be useful in evaluating efficiency of California's agricultural water use. This data provide irrigation districts, growers, other agricultural and environmental water users with the information and tools to help them improve their water use efficiency planning and implementation. It also helps DWR to meet the Water Code Section 10004.6.a requirement:

"Existing law requires the department to update the California Water Plan every 5 years. The department conducts a study to determine the amount of water needed to meet the state's future needs and to recommend programs, policies, and facilities to meet those needs".