MEETING SUMMARY
Executive Order B-37-16
Listening Session – Urban
June 3, 2016 | Sacramento, CA

Department of Water Resources, State Water Resources Control Board, Department of Food and Agriculture, California Public Utilities Commission, and California Energy Commission

Prepared by the Center for Collaborative Policy

Table of Contents

Background 1
Meeting Objectives 2
A. Opening 2
B. Executive Order B-37-16 Overview 2
C. Executive Order Stakeholder Process 3
D. Use Water More Wisely 4
E. Eliminate Water Waste 8
F. Strengthen Local Drought Resilience 11
G. Closing Remarks and Next Steps 13
H. List of Appendices 13

Background

On May 9, 2016, Governor Edmund G. Brown Jr. issued Executive Order B-37-16 (EO). This EO builds on the conservation accomplished during the recent drought and implementation of the Governor's California Water Action Plan and temporary statewide emergency water restrictions to establish longer-term water conservation measures, including permanent monthly water use reporting, new permanent water use standards in California communities, and bans on clearly wasteful practices (e.g., hosing off sidewalks, driveways, and other hardscapes). The full text of the EO can be found online at http://www.water.ca.gov/wateruseefficiency/conservation/. The EO directives are further described in Appendix A - Executive Order Fact Sheet and List of Questions.

The Department of Water Resources (DWR), California State Water Resources Control Board (SWRCB), Department of Food and Agriculture (CDFA), California Public Utilities Commission (CPUC), and Energy Commission (CEC) (collectively, the EO State agencies) held four Public Listening Sessions regarding implementation of EO. This was the first Listening Session and was focused on urban directives of the EO.

The meeting included an overview of the EO, followed by a description of the proposed stakeholder advisory groups and public involvement process to support EO implementation. The meeting then transitioned to an open comment period by the public. Participants were encouraged to identify key topics and suggestions they would like the EO State agencies and soon-to-be-formed stakeholder groups to consider in the coming months during EO implementation.

Meeting Objectives

- Provide an overview from participating agencies on the Governor's Executive Order B-37-16 (EO)
- Describe key projects and agency responsibilities
- Gather stakeholder input on key topics and implementation of the EO

A. Opening

Diana Brooks, DWR Water Use and Efficiency Branch Chief, welcomed attendees in the room and on the webinar. She noted that this meeting is sponsored by the EO State agencies listed above.

Stephanie Lucero, Center for Collaborative Policy Facilitator, provided webinar instructions, noted that the webinar will be recorded, and reviewed the agenda. She emphasized that the primary purpose of the meeting was to provide an opportunity for the EO State agencies to receive stakeholders' input and recommendations on EO implementation.

Ms. Brooks described the context for the EO (refer to Appendix B for the presentation slides). California has been in a severe drought, with 2012-2015 being the four driest years on record. The State issued emergency regulations in 2015 that called for a 25 percent reduction in urban water use. Californians rose to meet the challenge, almost reaching the 25 percent statewide goal. She acknowledged water suppliers and congratulated them for their water reduction actions. The State also issued rebate programs and other creative programs to help people change their behavior. The drought underscored a crucial lesson – we cannot take water for granted. Ms. Brooks stated that we need to plan for future droughts that will be more frequent and persistent. The purpose of this EO is to make permanent changes that will make conservation a way of life in California.

B. Executive Order B-37-16 Overview

Ms. Brooks presented an overview of the EO directives, deliverables, timeline, and public input process (refer to Appendix B). The following provides a brief summary of this overview.

Ms. Brooks introduced and described the EO's four main sections:

1. Use Water More Wisely
2. Eliminate Water Waste
3. Strengthen Local Drought Resilience
4. Improve Agricultural Water Use Efficiency and Drought Planning

The EO State agencies must develop and issue a public report by January 10, 2017. The report will address the four topics listed above and will include recommendations for a draft long-term water use efficiency framework, a framework for new water use targets, updated requirements for Water Shortage Contingency Plans (WSCP), and draft updated requirements for Agricultural Water Management Plans (AWMP).

C. Executive Order Stakeholder Process

Ms. Brooks noted that these listening sessions are the first steps in the public input process. The EO Fact Sheet handout (Appendix A) includes a list of questions to initiate public comment and input on the EO's implementation. All comments are welcome.

Additionally, new stakeholder Urban and Agricultural Advisory Groups (UAG and AAG, respectively) will be formed to advise EO agencies specifically on implementation of the EO. Stakeholders named in the EO include urban and agricultural water suppliers, local governments, agricultural producers, environmental groups, and others. Stakeholder meetings will be open to the public and offer time for public comment. Ms. Brooks emphasized these meetings support a transparent process with input from the public. The decisions will be made by the EO State agencies from proposals supported by the public stakeholder engagement process. The EO State agencies look forward to everyone's input. (Refer to Appendix C for written questions and comments submitted through the Webinar.)

Comments and Questions on the Public/Stakeholder Process

<u>Stakeholder Group Composition</u>

- What is the selection process for the stakeholder group members?
    - *Response:* This will be discussed among the EO State agencies consistent with the EO's directives. The EO State agencies will seek a diverse representation, including municipal, investor-owned, large, small, wholesale, and retail suppliers, as well as different geographic representation. In addition, any member of the public who is not on the stakeholder advisory groups can come to meetings and participate.
- Consider starting with the existing Water Conservation Act of 2009 (SB X7-7) Urban Stakeholder Committee (USC) members.
- Many participants discussed the need for a large, diverse group for the UAG. Attendees defined "diversity" as follows:
    - Include groups that represent the various ways in which water is obtained. This includes suppliers who receive water with no control over storage, those who have and manage groundwater supplies, and those who operate reservoirs.
    - Bring in policy-makers and decision-makers from various parts of the State, including those that were not previously involved in the SB X7-7 USC.
    - Diversity should include disadvantaged communities (e.g., communities with a single limited source of water supply, some of whom had to import water during this last drought).

- Include end users in markets that will have the greatest role and impact on improving efficiency. A majority of the EO directives speak to the "use of water" downstream of the utility meter; implementation efforts should recognize that utilities have a supportive, yet somewhat limited, role.
- *Response*: The EO State agencies want to allow for broad-based participation. The EO State agencies anticipate having subcommittees that are open to additional participants.

<u>General Process and Outreach Comments</u>

- Some items in the EO will require the legislative process to become permanent and durable.
- A key to transparency, credibility, and end-user adoption is a big picture approach across private, public, urban, and agricultural uses. The process needs to continue to demonstrate how all Californians and markets are contributing and doing their part.
- Continue to provide for remote access to meetings, such as the webinar format of this meeting. This will allow more people (e.g., small agencies and the general public) to participate.
- Since it is unlikely that small water systems and rural users follow this process closely, the State and counties should reach out to them. Counties are familiar with all of the small water systems but have very limited resources to reach out to all of the commercial/industrial/institutional (CII) water users and private well users. This could be a good opportunity to develop partnerships.
- Post all of the EO comments on the EO program webpage.

D. Use Water More Wisely

Peter Brostrom, DWR Water Use and Efficiency Branch Section Chief, reviewed the directives under the Use Water More Wisely provisions of the EO (refer to Appendix A).

Three questions included in the handout to initiate this discussion are:

1. What factors should be considered in developing the new standard-based water use targets and customizing them for each urban water supplier?
2. How should the four standards listed in the EO be used to identify and determine those new water use targets, and how urban water suppliers would implement them?
3. How should existing SB X7-7 20x2020 targets be considered in determining new targets?

Mr. Brostrom noted that the State has not yet approved the final EO budget, but there may be funding for DWR to assist urban water suppliers in developing landscape areas, which is a critical component in developing these new standards.

Comments and Questions

The following questions and comments were made regarding the Use Water More Wisely section of the EO:

Baseline/Past Efficiency Measures

- The EO State agencies should recognize prior water agencies' improvements in efficiency. The baseline should not be continually reset.
- Consider drought-resilient supplies developed prior to the 2013 baseline.

Local/Supplier Flexibility

- Build on the foundations for flexibility developed under SB X7-7.
- Set achievable targets. Identify mechanisms that agencies can use to best meet those new targets.
- Do not apply universal percentages that do not account for local circumstances or local agencies' efforts to save water or develop other supplies.
- Water systems and location conditions, including financial conditions, are too variable to allow for a uniform standard.
- Local water agencies should develop the customized targets.

Landscape Measurement and Water Budgets

- Utilizing landscape data, climate, and satellite imagery data for outdoor allocation development has merit, but this is a demand-management focus. Capping this allocation based on local supply considerations is a more preferable option.
- If landscape data are used, there should be a pilot to test this methodology.
- The State should develop landscape data at a State level. There is always error. Error should be consistent throughout the State.

Efficiency Standards/Targets

- Establishing efficiency standards involves land-use policy. We must ensure that water use standards match previous land-use policy.
- Water efficiency standards should be for the long term and not include data from drought reduction requirements. Data from the last few years reflect drought reduction requirements.
- Require efficiency of end-user devices/fixtures.
- Targets for end users should be consistent throughout the State.
- Savings should be measured by long-term trends.
- Current Urban Water Management Plans (UWMP) are using SB X7-7 planning targets. Continue to use this negotiated measurement tool rather than creating a new one.
- In developing the new standards, include factors that account for the protection of tree canopy in existing landscapes while increasing water efficiency. These factors would also consider evapotranspiration, local climate, age of housing stock, use of swamp coolers, and tree density.

- The State process could incorporate return flows, focus on consumptive gallons per day, and incorporate use of embedded energy, to support a more holistic approach.
- We need to consider customer acceptance, end-user input, impacts on rates and rate design, and public health considerations (indoor and outdoor).
- In the past, SWRCB and DWR set targets based on the nexus between residential use and urban use. This has been problematic because the customer make-up for agencies often vary across the State.
- CII allocations need to consider historic usage.
- Agency water targets need to consider total supply and total demand. When an agency has agriculture, resale, and direct retail, the agency should focus on more than one category when managing supply during droughts.
- Consider that some places within the State do not have a water supply issue. If considering local variance is too complex, offer a process that allows agencies to demonstrate this to the State (e.g., self-certification or alternative compliance).
- Using residential water use per capita as a measure of water efficiency poses several problems for communities where many properties are second homes or vacation properties. Develop more suitable standards appropriate for these types of communities.
- Consult with local landscapers to develop outdoor irrigation standards.
- Outdoor irrigation data need to include the type of landscaping. Native landscapes need to be valued and supported. Seek biologists' input to help determine the types of landscaping that will support healthy wildlife populations.
- Be very careful in how CII sector water use efficiency is addressed. Do not impact economic growth with arbitrary water use reduction targets.
- Make sure standards for small communities that need assistance are inclusive and will encourage priorities to enlarge our management areas, look at economies of scale, operate regionally, and use integrated resources management. This effort and funding streams should match these priorities.
- Reinforce SB X7-7 provisions for regional efficiency projects.
- Focus on major opportunities for savings.
- What is meant by "uniform statewide standards?" Does this refer to standards that all agencies would have in their plans, but each agency would be able to determine their current stage at any particular time?
- Residents on both small water systems and private wells are not usually eligible for local rebates. The State should provide more rebates, like the toilet and turf replacements that they offered this year.
- Avoid using monthly reporting for target setting. Targets should be based on long-term trends. Water efficiency measures take years to implement.
- Resolve the metrics problem in the framework regarding Gallons Per Capita Per Day (GPCD) versus Residential GPCD (R-GPCD). Continue to use the SB X7-7 20x2020 process

rather than creating a new one. Use the GPCD metric; the R-GPCD metric may not be an appropriate emergency standard.

- Do not compare different agency targets.
- Achieve targets over longer periods of time, not monthly. Perhaps 5-year cycles can be milestones for targeting. Look at processes similar to the Sustainable Groundwater Management Act (SGMA), which has a long-term target with intermediate milestone targets.
- Targets result in production meters slowing down over time. When replacing production meters, it is harder to meet targets because by default, production will increase. The meter manufacturer cannot provide a calibration number. Allow agencies to estimate this change and not have it count against them.
- Keep regional alliance as an option for compliance.
- Use UWMPs being submitted now as valuable tools to influence this process and provide a basis for policies going forward.

<u>Economic Aspects</u>

- Consider economic tools, such as improving water markets. These tend to be the most efficient.
- Make sure water agencies have the ability to use budget-based rate structures because many efficient standards are best implemented through economic incentives.
    - *Response:* The EO does include provisions to look at incentives and different mechanisms to ensure compliance with the framework targets that the State agencies plan to develop.
- Do not discourage economic growth in the State, which might result in reduction of the water use efficiency baseline.
- Consider the impact of increased rate payers' costs, especially on disadvantaged communities.

<u>Data Collection/Reporting Requirements</u>

- To what extent will you be able to use analysis and data from the 2015 UWMP submittals to help this process?
    - *Response:* We are not sure if the data will be sufficiently reviewed in time to be relied upon in this process. We may be able to use it to some extent. It could also be used after the January 2017 report submittal.
- Will DWR or SWRCB analyze the emergency regulation monthly water data provided by water suppliers over the past few years as a part of this process?
    - *Response:* We would like to hear recommendations on this from the public. If recommended, what value could it bring?
- Consolidate data collection among the various agencies that require it.
- Use annual data. Monthly data are not useful due to frequently changing variables, such as weather and number of billing cycle days.

Wastewater

- We need to involve sanitary districts. They are affected when indoor water use drops.

Process/Other

- How does the timing of the January 10, 2017 framework fit in with what water suppliers are doing now to calculate a specific conservation target for suppliers' service areas?
    - *Response*: The January 2017 report will include draft requirements. Legislation is required to implement these requirements. This is a long-term framework. The timeframe for its implementation will be determined during this process, but it would likely not go into effect within the next one to two years.
- Clarify the benefits of conserved water and how it is or will be used.
- Clarify that this EO is not a drought-demand-reduction regulation in response to short-term drought, but rather a separate long-term water conservation policy.
- Continue to focus on potable water, investments in sustainable supplies, and recycled water. Continue to invest in efficiencies.
- Address Prop 218 so that suppliers can provide a price signal to help customers reduce their water use.

E. Eliminate Water Waste

Erik Ekdahl, SWRCB Office of Research, Planning, and Performance Director, echoed a previous comment that this EO differs from the SWRCB's recent emergency mandatory conservation regulations. He explained that the State is currently examining what it can do to make conservation a permanent lifestyle choice in California. Many are already doing this; the State wants to identify ways in which it can do more and seeking input on how to best accomplish this.

Mr. Ekdahl described the four elements in this section of the EO. The first directive, to permanently prohibit certain practices that waste potable water, includes many elements that are in existing emergency conservation regulations. These will become permanent requirements and will require a full regulatory development process, including the California Environmental Quality Act (CEQA) process, stakeholder process, hearings, workshops, etc. This will be a multi-year process. A schedule will be laid out in the coming months.

The other directives are to minimize system leaks, accelerate data collection, improve system management, and prioritize capital projects that reduce water waste. The CEC and CPUC also have EO roles in eliminating water waste.

Mr. Ekdahl reviewed the questions included in the handout (Appendix A) to initiate this discussion:

1. What actions should the State and/or urban water suppliers take to accelerate leak detection and repair?

2. How can the EO State agencies contribute or support local efforts to identify leaks and reduce related potable water loss through leaks?
3. What key data should urban water suppliers be responsible to develop, and what data should the State provide?

Comments and Questions

General Comments

- Take a strategic, long-term approach rather than reacting to short-term conditions.
- Any measure taken by local agencies needs to be cost effective.

Leaks

- Which types of leaks should be addressed – water agency, system-wide leaks?
    - *Response*: The EO State agencies seek input on what to consider.
- Local agencies need funding to fix leaks.
- Prioritize funding and focus on leak repairs rather than residential fixture efficiency improvements. Fixing leaks will have a much larger impact on saving water.
- Local agencies need to determine their water loss prioritization needs based on their system requirements, budgetary needs/limitations, and identified non-revenue water loss reduction benefits.
- Mandates cannot accomplish goals if agencies cannot afford to implement them or raise rates. Do not penalize poor communities.
- There is a water loss control collaborative across the State that provides technical assistance program for utilities in determining water losses, validating data, assessing economic value associated with loss, and assessing whether or not various solutions make economic sense.
- Targets have previously been based on percentage of loss. Targets should also address other indicators and other agencies' established practices.
- In addition to SB 555 requirements for water loss audits, water agencies will continue to deploy crews and contractors to detect and repair leaks, and agencies will increase these efforts.
- Check high water use accounts for leaks.
- State funding for agency leaks should include incentives and make sure that agencies have a stake in the outcomes/ramifications.
- Advanced metering infrastructure (AMI) has proven to be a very effective tool to stop leaks in a relatively quick fashion.
- Large leaks are easily detectable with available technology; smaller leaks are not.
- Prioritize water line replacement of old pipes over meter installation.
- Defer to best practices that benefit the customer and offer flexibility. The EO B-37-16 water conservation process can provide a menu of these practices.
- For leak management purposes, allow agencies to define where their systems begin (consistent with SB X7-7 and UWMP definitions). This especially applies to agricultural and some urban suppliers who use raw water conveyance systems. These are very old

systems that created unintended beneficial habitat (i.e., riparian areas and wetlands) regulated by resource agencies. Preventing this water loss may affect waters regulated by the United States Army Corps of Engineers (US ACE) and reduce riparian/wetland habitat. The burden should not solely fall on local agencies to address this important regulatory issue.

- Local plumbers cannot directly offer repair work services, which is a missed opportunity to efficiently fix water leaks. Please address these restrictions within State law to allow the private sector to engage in identifying and fixing leaks.

Prohibitions

- Consider setting a maximum number of landscape watering days per week.
- Prohibit water play areas where water is not reused.
- Reconsider prohibition on irrigated ornamental turf on public street medians – these systems may irrigate important landscaping in the median (e.g., trees). Clarify that this is a prohibition for areas with only turf.
- Revise language for prohibition of "irrigating ornamental turf in street medians" to prohibit turf grass in medians and side strips (by definition the strip between the sidewalk and the street). Make sure to give cities enough time to retrofit these areas.
- Clearly define "48 hours after measurable precipitation." This vague terminology is difficult to measure and enforce compliance. Consider eliminating it.

Data/Reporting/Audits

- A new model for key data is being developed and used at the California Urban Water Conservation Council. Many large and small water agencies are currently working collaboratively to find relevant data and move beyond the Best Management Practices guidelines.
- Report annually rather than monthly to see significant trends rather than data "noise."
- Consider the method in SB 555 for reporting data.
- UWMP reports do not include audits, just total water loss (which includes paper and actual water loss). Focus on real water loss.
    - *Response*: Although audits are not included in the UWMP, they must be uploaded with the UWMP submittal.
- Pressure is one of the most significant factors for performance indicators and can vary significantly among different agencies. Comparing agencies' performance based on water pressure may prove to be an inappropriate metric for performance.
- American Water Works Association (AWWA) provides a uniform method and a good approach for water auditing.
- One concern with the AWWA leak reporting methodology is that it provides a lower rating for agencies that have high water pressure due to elevation changes, low population, and high mileage of pipeline. This occurs even when overall water loss is low.

- Water utilities regulated by the Public Utilities Commissions must provide water loss information, leak detection, and leak remedies when applying rate changes.
- Do not create a new process or mandate for metrics.
- Establish and agree on water loss data collection and reporting metrics that can be shared among utility and consumer stakeholders.

<u>Funding/Assistance</u>

- Support and encourage State funding for agencies that need to make infrastructure improvements related to leaks.
- Fund AMI technologies, including feasibility and pilot studies.
- The AMI technology is fairly complex; water systems need assistance to understand what is available, how to make informed decisions, and how to start testing AMI systems to obtain better and faster consumption and leak data.
- Provide financial incentives for customers to fix leaks.
- State agencies should continue to collaborate and support efforts to advance the water-energy nexus and look for combined benefits and cost-sharing to fund water loss recovery, AMI technologies, and other initiatives with co-benefits.

F. Strengthen Local Drought Resilience

Kent Frame, DWR Water Use and Efficiency Branch Program Manager, summarized the two primary elements of this section. The first is to strengthen standards for local contingency planning as it applies to water management planning. The other is for DWR to work with counties to address, improve, and in some cases create drought contingency plans in rural communities and for small water systems. This is in recognition of the severity of the last drought on disadvantaged and small communities.

The questions included in the handout (Appendix A) to initiate this discussion are:

1. After five years of drought conditions, how can WSCPs requirements be improved and strengthened to make the plans a more effective tool for urban water suppliers to respond to future droughts?
2. Which elements of a WSCP requirements are conducive for developing uniform statewide standards, and which requirements should be more flexible to account for local conditions?
3. How can small supplier and rural community drought planning be improved and strengthened?

Comments and Questions

- Provide flexibility in local contingency planning. Consider local conditions, supplies, and resources.
- One element that may be common to all plans could include prohibition on certain end uses.

- agencies may incorporate some of the standardized prohibitions into certain stages of their water shortage contingency plans.
- Consider requiring agencies to trigger the stage above voluntary during a statewide emergency.
- Provide local flexibility in triggers and stages of contingency plans.
- An automatic trigger for implementation of a contingency plan should only apply where needed. Some parts of the State have experienced drought during the past four years. SB X7-7 includes threshold standards that could apply to this EO.
- All local WSCPs could include a portfolio of measures from which suppliers can implement, depending upon the supplier's situation.
- DWR should review the most recent WSCPs submitted to better understand local agencies' current practices.
- Will the permanent regulations, framework, and changes to contingency plans in the EO obviate the need for emergency regulations when the next drought hits? Many people would likely prefer the emergency regulations to cease at some point.
- Minimize changes in customer communication.
- Allow agencies to use their current WSCPs, which would require few if any improvements to satisfy the EO's goals.
- Allow agencies to determine how they communicate with their customers.
- Planning for a 5-year drought seems to be an appropriate time span.
- Water agencies should be allowed to plan for their own worst 5-year hydrological periods.
- Provide statewide input on climate assumptions and regional information. Provide standardized calculations that agencies can use.
- Provide a menu of local prohibitions.
- Consider how drought resiliency strategies might affect water use efficiency and dam operations. The whole system is connected; the EO regulations cannot solely address the end user.
- The State can help support implementing measures and help with public outreach if urban agencies request assistance.
- We need more water storage options due to predicted continuing climate changes.
- Connect small systems with adjacent larger systems.
- Provide or identify funding sources for drought resilience along with planning.
- Drought resilience should incorporate both supply diversification and demand management approaches. The process should use the existing UWMP process. Seize the opportunity to learn from the lessons and updated information within the 2015 UWMP and WSCP updates.
- Direct State efforts and resources toward communities and agencies that may need assistance in updating or developing a WSCP.

- Local drought management necessitates a comprehensive approach that requires balancing various customer group demands, finances, supply management, and risk. It will be difficult to create a simple standard model to regulate this appropriately.
- How can we include better reporting on suppliers to develop and implement their contingency plans?

Agricultural Uses

- Agriculture requires a lot of water. When agriculture becomes a business solely for profit, we need to raise the bar on agricultural water use.
- Consider secondary and tertiary benefits of agriculture. Agricultural efficiency may not increase water available for beneficial use. Agricultural use provides groundwater recharge required under SGMA.

G. Closing Remarks and Next Steps

Ms. Lucero noted that future comments can be sent to the water use efficiency email address on the last page of the fact sheet handout - WUE@water.ca.gov. The link for the listening sessions held on Friday June 3rd and the summary reports from these sessions will be posted on the website : http://www.water.ca.gov/wateruseefficiency/conservation/.

Ms. Brooks thanked everyone for attending and for all the input received.

H. List of Appendices

- Appendix A – Executive Order Fact Sheet
- Appendix B – Presentation Slides
- Appendix C – Webinar Questions/Comments
- Appendix D – Sign-in Sheet

Making Water Conservation a California Way of Life

On May 9, 2016, Governor Edmund G. Brown Jr. issued Executive Order B-37-16. The press release stated, "Moving to bolster California's climate and drought resilience, Governor Edmund G. Brown Jr. today issued an executive order that builds on temporary statewide emergency water restrictions to establish longer-term water conservation measures, including permanent monthly water use reporting, new permanent water use standards in California communities and bans on clearly wasteful practices such as hosing off sidewalks, driveways, and other hardscapes."

This Executive Order (EO) builds on the conservation accomplished during the drought and implementation of the Governor's California Water Action Plan. The full text of the EO can be found online on the Department of Water Resources (DWR) website at http://www.water.ca.gov/wateruseefficiency/conservation/. The directives of the EO actions are summarized below.

Included with each section of this information sheet are questions to help focus and guide the discussion during the listening sessions. Please read and consider these questions as well as other input in preparation for the listening sessions.

Use Water More Wisely

DWR and the State Water Resources Control Board (Water Board) will require monthly reporting by urban water suppliers on a permanent basis. This includes information regarding water use, conservation and enforcement. Through a public process and working with partners such as urban water suppliers, local governments, and environmental groups, DWR and the Water Board will develop new water use efficiency targets as part of a long-term conservation framework for urban water agencies. These targets go beyond the 20 percent reduction in per capita urban water use by 2020 that was embodied in SB X7-7 of 2009, and will be customized to fit the unique conditions of each urban water supplier.

Deliverables: DWR and the Water Board will publicly release a draft long-term conservation framework by January 10, 2017. This framework will include new water use targets based on strengthened standards for indoor residential water use, outdoor irrigation, CII water use, and distribution system water loss. The EO requires that these new targets are customized for each urban water supplier.

Questions for Listening Sessions

1. What factors should be considered in developing the new standard based water use targets and customizing them for each urban water supplier?
2. How should the four standards listed in the EO be used to identify and determine those new water use targets and how urban water suppliers would implement them?
3. How should existing SBX 2020 targets, be considered in determining new targets?

Eliminate Water Waste

The EO directs the Water Board to prohibit a number of practices that waste potable water, and directs the Water Board and DWR to minimize system leaks, accelerate data collection, improve system management, and prioritize capital projects that reduce water waste. The California Energy Commission (CEC) and California Public Utilities Commission (CPUC) also have EO roles in eliminating water waste.

Deliverables: The Water Board and DWR will take actions to minimize water system leaks across the state that continue to waste large amounts of water. The CPUC will take actions to minimize leaks, and CEC will certify innovative water conservation and water loss detection technologies.

Questions for Listening Sessions

4. What actions should the State and/or urban water suppliers take to accelerate leak detection and repair?
5. How can the State Agencies contribute or support local efforts to identify leaks and reduce related potable water loss through leaks?
6. What key data should urban water suppliers be responsible to develop, and what data should the State provide?

Strengthen Local Drought Resilience

In consultation with urban water suppliers, local governments, environmental groups, and other partners, DWR will strengthen standards for local Water Shortage Contingency Plans, which are part of the Urban Water Management Plans that water districts must submit every five years. Under new strengthened standards, districts must plan for droughts lasting at least five years, as well as more frequent and severe periods of drought. These plans must be actionable, so that districts can turn to them to guide their drought response.

Deliverables: DWR shall publicly release the updated draft requirements by January 10, 2017. For areas not covered by the Water Shortage Contingency Plan, DWR will work with counties to improve drought planning for small water suppliers and rural communities.

Questions for Listening Sessions

7. After five years of drought conditions, how can water shortage contingency plans requirements be improved and strengthened to make the plans a more effective tool for urban water suppliers to respond to future droughts?
8. Which elements of a water shortage contingency plan requirements are conducive for developing uniform statewide standards, and which requirements should be more flexible to account for local conditions?
9. How can small supplier and rural community drought planning be improved and strengthened?

Improve Agricultural Water Use Efficiency and Drought Planning

DWR, working with the California Department of Food and Agriculture (CDFA), will update existing requirements for Agricultural Water Management Plans so that irrigation districts quantify their customers' water use efficiency and plan for water supply shortages.

Current law requires agricultural water districts serving 25,000 acres or more to file such plans. The EO increases the number of irrigation districts who must file water management plans by lowering the threshold to irrigation districts serving 10,000 acres or more. DWR will check the plans to ensure they quantify conservation efforts and adequately plan for water shortages.

Deliverables: The Water Board and DWR will work with water suppliers to accelerate data collection, improve water system management, and prioritize capital projects to reduce water waste. DWR and CDFA will seek public input on the updated standards, and release a public draft of proposed changes by January 10, 2017.

Questions for Listening Sessions

10. How could the Agricultural Water Management Planning requirements (AWMPs) better identify local measures and practices to improve water use efficiency?
11. How could the AWMP better quantify improvements in water use efficiency?
12. The Sustainable Groundwater Management Act requires local Groundwater Sustainable Agencies to complete a water balance for the groundwater basin. Should water balances be part of AWMPs?
13. Are there ways the AWMP reporting requirements can be streamlined with other reporting requirements including SGMA and the Irrigated Lands Program?

Compliance Methods

To ensure compliance with the provisions of the EO, DWR, Water Board, and CPUC will work together to develop methods which could include technical and financial assistance, regulatory oversight and enforcement mechanisms.

Stakeholder Engagement Process and Schedule

DWR, Water Board, CDFA, CPUC, and CEC as members of a State Agency Team are working together to carry out the EO and will convene venues to engage stakeholders in the process including urban water suppliers, agricultural water suppliers, environmental organizations, local governments, tribes, and other partners. The State Agency Team is convening public Listening Session on June 3, 6, and 7, 2016 to describe the Executive Order and receive initial public comments on its implementation.

The State Agency Team will engage stakeholders to inform the development of the deliverables listed above. The stakeholder engagement process and schedule are being developed and will be posted online at: http://www.water.ca.gov/wateruseefficiency/conservation/

The questions listed above focus on specific EO actions for which the State Agencies are seeking feedback; comments or input on items not specified may be discussed at the Listening Sessions or submitted to: WUE@water.ca.gov .

EXECUTIVE ORDER B-37-16

MAKING WATER CONSERVATION A CALIFORNIA WAY OF LIFE

EXECUTIVE ORDER B-37-16

- Use Water More Wisely
- Eliminate Water Waste
- Strengthen Local Drought Resilience
- Improve Agricultural Water Use Efficiency and Drought Planning

USE WATER MORE WISELY

- New water use targets
- Targets to go beyond 20% reduction in per capita urban water use (SB X7-7 of 2009)
- Customized to fit unique conditions of each water suppliers
- Generate more statewide water conservation than existing requirements

ELIMINATE WATER WASTE

- Water Board to permanently prohibit wasteful practices
- DWR and Water Board shall direct actions to minimize water system leaks
- CPUC to order IOUs to accelerate work to minimize leaks
- CEC to certify innovative water conservation and water loss detection and control technologies that also increase energy efficiency

STRENGTHEN LOCAL DROUGHT RESILIENCE

- Strengthen requirements for Water Shortage Contingency Plans (WSCPs)
  - Respond to droughts lasting at least five years
  - Create common statewide standards so these plans can be quickly utilized in this and future droughts.
- Improved drought planning for small water suppliers and rural communities

IMPROVE AGRICULTURAL WATER USE EFFICIENCY AND DROUGHT PLANNING

- Update existing AWMP requirements.
  - Identify and quantify measures to increase water efficiency
  - Adequately plan for water shortages
  - Extend AWMP requirements to all agricultural water suppliers with over 10,000 irrigated acres of land

EO DELIVERABLES & TIMELINES

- Public Report issued January 10, 2017
- Report to include:
  - Draft Long Term Water Use Efficiency Framework
    - Proposed draft water use targets
    - Draft updated requirements for Water Shortage Contingency Plans
    - Draft updated requirements for Agricultural Water Management Plans
  - Status update on other EO directives

EXECUTIVE ORDER STAKEHOLDER PROCESS

- EO B-37-16 places a strong emphasis on stakeholder involvement
- Stakeholders include urban and agricultural water suppliers, local governments, agricultural producers, environmental groups, and others.
- New EO stakeholder committees
  - Urban Stakeholder Committee
  - Agricultural Stakeholder Committee

EXECUTIVE ORDER B-37-16 LISTENING SESSIONS

- Send additional thoughts and comments to wue@water.ca.gov
- Check EO website for updated information at www.water.ca.gov/wateruseefficiency/conservation/

Appendix C – Webinar Questions/Comments

Executive Order B-37-16

Listening Session – Urban

June 3, 2016 | Sacramento, CA

Webinar Questions / Comments*	
1.	A new model for key data is being developed and used at the California Urban Water Conservation Council and their existing database. Many large and small water agencies are currently working collaboratively on finding the relevant data and moving beyond the Best Management Practices guidelines.
2.	A strange unintended consequence of having targets: production meters tend to slow down over time. I need to replace my production meters. When I replace my production meters, it will be harder for me to meet the target conservation numbers because by default, my production will go up. The meter manufacturer says he can't give me a calibration number so that I can tell how far off I was in the past. Please allow agencies to estimate this change and not have it count against us.
3.	In developing the water use targets, please consider the following: Since January 2013, California State University in Channel Islands (a single account in our district)-has averaged three percent of our total potable water deliveries. Over the same period, the campus has used more than an equal amount in their recycled water system. They can't reduce much more because their demand is so hard, and they expect enrollment to triple over the next 20 years. The University needs some recognition for the hard work they/we have put into developing climate-resilient sources of supply. But because the baseline of 2013 is so recent, they don't get any credit for that offset. We would strongly advocate for consideration of drought-resilient supplies developed prior to the baseline of 2013, both for the University and our district as a whole. Thank you.
4.	Concerned about nexus that has been used for residential use with other urban uses by SWRCB and DWR for past target setting. Some agencies do not have the same customer make-up so this has been problematic.
5.	Factors: I would highly recommend providing flexibility to agencies that have made significant investments in conjunctive use water supplies.
6.	How does someone get on list to participate on stakeholder group?
7.	I think most of us recognize the conditions of water systems and the amount of water loss vary drastically based on a number of things such as: infrastructure age, ongoing O&M to retain the infrastructure integrity, having the political will to raise rates reasonably and incrementally in order to fund this maintenance. In addition to ongoing O&M our agency has invested ratepayer money into AMI with automated leak detection which has proven to be a very effective tool to stop leaks in a relatively quick fashion. Any type of funding or regulatory relief from the State to help would be welcomed.
8.	Local plumbers are prohibited from soliciting directly for repair work. Is there a way to allow them to identify leaks and approach customers?
9.	Re: collecting data, leaks, and communicating with end users - AMI technology can really help here. Any chance there could be more focus on 0% interest loans specifically for agencies to install AMI or grant funding from the state?

Webinar Questions / Comments*
10. Should drought contingency planning project for a 10 year drought or longer?
11. Since it is unlikely that small water systems and rural users will be following this process closely, will you be making efforts to reach out to them, or will you be asking the Counties to do that? Residents on both small water systems and private wells are not usually eligible for local rebates. I would like to encourage the state to provide more rebates like those for toilet and turf replacements the offered this year.
12. Since many of us are just wrapping up our UWMPs that have us use SBX7-7 as the planning targets, we are requesting that this negotiated measurement tool continue to be used instead of recreating the wheel. That process was part of very public engagement in a legislative session.
13. Thank you for allowing Zone 7 to comment. I agree with ____, ____, and _____'s comments. Zone 7 recommends local discretion/control and flexibility to be included in the long-term WUE framework to measure progress.
14. Will DWR or SWRCB be analyzing the emergency regulation monthly water data provided by water suppliers over the past couple of years as a part of this process?
15. WSCP have triggers that are very specific to the urban water supplier...what can be common can be is a portfolio of measures from which suppliers can implement depending upon what stage the supplier is at. The State can help with support in implementing measures if urban agencies request assistance and with public outreach.
16. CII allocations need to consider historic usage.
17. Provide multiple options and methods to determine long term water use efficiency targets and allow flexibility and local discretion for how to accomplish the goals.
18. the AMI technology is pretty complex, so water systems need assistance in understanding what is available and how to make informed decisions and actually start testing AMI systems for better and faster consumption and leak data !
19. Lessons from the SBx7-7 process should be included in the urban framework, particularly the multiple-options and flexible approach recognizing local conditions, customer demographics. Any new legislation needs to have built in monitoring and a simplified revisions process where warranted (e.g. 20x2020 target methods needed some minor refinements, yet process limited some of the "administrative flexibility" on implementation).
20. Agree with utilizing landscape data, climate, and satellite imagery data for outdoor allocation development but this is a demand management focus. Prefer option that may cap this allocation based on local supply considerations.
21. I agree with ____ from the RWA regarding the Water Shortage Contingency Planning aspects.
22. Local plumbers are prohibited from soliciting directly for repair work. Please address these restrictions within state law to allow the private sector to engage in identifying and fixing leaks.
23. From my experience AMI technology can REALLY help with data collection, leak detection, and data analytics. I recommend that funding be more available for pilot testing AMI to accelerate implementation of this technology by more water agencies that don't have staff to develop expertise about these systems and try them.
24. Process: a key to transparency, credibility, end users adoption will be to see the big picture approach across private, public, urban and Ag uses - the process needs to continue to demonstrate how all Californians and markets are contributing, doing their part;

Webinar Questions / Comments*
25. As a response to my earlier question regarding who should reach out to the small water systems and rural users, I would recommend that there is a little bit of effort from both the State and the Counties. We are familiar with all of the small water systems but are very limited on resources to reach out to all of the CII and private well users. This could be a good opportunity for partnership.
26. The DWR deliverables states "new water use targets...." will be developed in a framework by January 10, 2017. How does this fit in with what we are all doing now to calculate a specific conservation target for our service areas?
27. Agency water targets need to consider total supply and total demand. When an agency has agriculture, resale, and direct retail it makes little sense to only focus on one category when managing supply in droughts.
28. process and stakeholder group needs to include end users, markets that will have the greatest role, impact on improving efficiency; a majority of the EO directives speak to the "use of water" downstream of the utility meter; it should be recognized that utilities have a supportive, yet somewhat limited role, the larger "supply chain" among consumers and water markets will need to participate
29. One concern with the AWWA leak reporting methodology is that it does provide a lower rating for agencies that have high PSI due to elevation changes, low population, and high mileage of pipeline. This is even the case when overall water loss is low.
30. Need to be very careful in how CII sector water use efficiency is addressed. Don't want to impact economic growth with arbitrary water use reduction target.
31. acceleration of leak detection, management on both the utility and end user side of the meter would benefit from (1) support for improved and cost-effective leak detection technology and data analytics tools, funding for accelerated advanced metering infrastructure implementation where desired, and establishing/agreeing on water loss data collection and reporting metrics that can be shared among utility and consumer stakeholders. As noted by other comments, water loss prioritization needs to be determined by local agency based on their system requirements, budgetary needs/limitations, and identified non-revenue water loss reduction benefits.
32. Local drought management can necessitate a comprehensive approach that requires balancing various customer group demands, finances, supply management and risk that would be difficult to have a simple standard model to regulate.
33. What is meant by "uniform statewide standards?" Are they standards that all agencies would have in their plans but each agency would be able to determine what stage they are in at any particular time?
34. Additional note - state agencies should continue to collaborate and support efforts to advance the water-energy nexus and look for combined benefits and cost-sharing to fund water loss recovery, AMI and other initiatives with co-benefits.
35. statewide communications support for our communities aging water and wastewater infrastructure and required funding needed
36. drought resilience should incorporate both supply diversification and demand management approaches. The process should use the existing UWMP process and take advantage of the lessons and updated information within the 2015 UWMP and Water Shortage Contingency Plan (WSCP) updates. Many agencies have put substantial time and resources into developing detailed WSCPs, and the 5-year UWMP update schedule is an appropriate framework moving forward. State efforts and resources should be directed toward communities, agencies that may need assistance in updating or developing a WSCP.

Webinar Questions / Comments*
climate/hydrologic drought scenario modeling varies by local and regional characteristics that consider both dry year severity and duration. The process should focus more on a framework methodology, rather than directing a fixed number of years that may not fit local experience.

*Questions / Comments are not necessarily listed in the order they were submitted.

Appendix D – Sign-in Sheet

Executive Order B-37-16

Listening Session – Urban

June 3, 2016 | Sacramento, CA

NAME	AFFILIATION
Ansel Lundberg	Delta Stewardship Council
Shannon Cotulla	South Tahoe PUD
John Mills	ECWA and CCWD
Dan Gwaltney	Sacramento County WA
Amy Talbot	TWA
Jennifer Burke	City of Santa Rosa
Nancy King	DWR
William Granger	City of Sacramento
Paul Helliker	Humboldt Bay MWD
Sue Mosburg	Sweetwater Authority
Rich Svindland	CalAm
Dave Todd	DWR
Jack Hawks	CWA
Fiona Sanchez	IRWD
Jim Mulligan	City of Roseville
Chris Durdon	CCWD
David Bolland	ACWA
Leah White	Tully & Young
Dong Chen	DWR
Nirmala Benin	DWR
Mohammad Mostaf	DWR