Actions and Recommendations Addressed in EO B-37-16 Summary Report, *Making Water Conservation a California Way of Life*

Chapter Section and Title where Item is Addressed	Executive Order Items													Within Existing Authorities (Chapter 2)	Requires New Authority (Chapter 3)
	Use Water More Wisely			Eliminate Water Waste				Strengthen Local Drought Resilience			Improve Agricultural Water Use Efficiency & Drought Planning				
	1	2	3	4	5	6	7	8	9	10	11	12	13		
2.1 Emergency Water Conservation Regulations for 2017	●													✓	
2.2 Permanent Prohibition of Wasteful Practices			●	●										✓	
2.3 Reduced Water Supplier Leaks and Water Losses					●	●								✓	
2.4 Certification of Innovative Technologies for Water Conservation and Energy Efficiency							●							✓	
3.1 New Water Use Targets Based on Strengthened Standards		●				●									✓
3.2 Water Shortage Contingency Plans						●		●	●						✓
3.3 Drought Planning for Small Systems & Rural Communities										●					✓
3.4 Agricultural Water Management Plans						●					●	●	●		✓

Note: The Executive Order directs DWR, Water Board, and CPUC to develop methods to ensure compliance with the provisions of the order, including technical and financial assistance, agency oversight, and, if necessary, enforcement action by the Water Board to address non-compliant water suppliers. These are described in Chapters 2 and 3.

More Information: http://www.water.ca.gov/wateruseefficiency/conservation/

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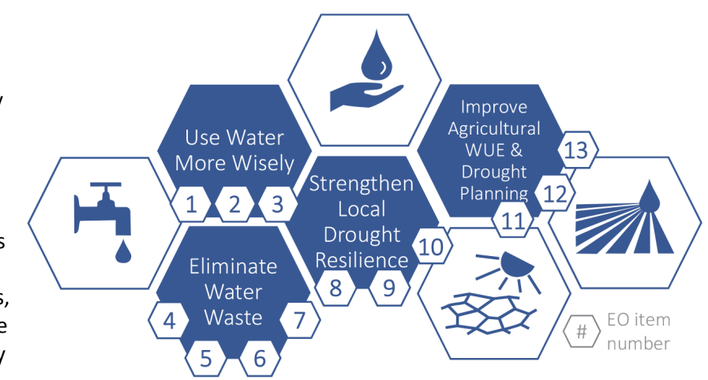
Fact Sheet

Making Water Conservation a California Way of Life

On May 9, 2016 Governor Edmund G. Brown Jr. issued Executive Order B-37-16 (EO or Order) directing State Agencies to establish a long-term framework for water conservation and drought planning. The Order builds on the conservation accomplished during the historical drought and implementation of the Governor's Water Action Plan. The named agencies include California Department of Water Resources (DWR), State Water Resources Control Board (Water Board), California Public Utilities Commission (CPUC), California Department of Food and Agriculture (CDFA), and California Energy Commission (CEC) (collectively, EO Agencies). The full text of the Executive Order can be found at the Governor's Office Website, https://www.gov.ca.gov/docs/5.9.16_Attested_Drought_Order.pdf.

Overview of EO Implementation

The Order has four primary objectives: (1) use water more wisely, (2) eliminate water waste, (3) strengthen local drought resilience, and (4) improve agricultural water use efficiency and drought planning. There are thirteen specific items under these four primary objectives for EO Agencies to implement. In addition, the Order further directs DWR, the Water Board, and CPUC to develop methods for reporting, compliance assistance and enforcement.



The EO Agencies employed a robust stakeholder engagement process, which commenced with a series of public listening sessions in June 2016. Subsequently, the EO Agencies convened two stakeholder advisory groups – an Urban Advisory Group and an Agricultural Advisory Group – comprised of specific stakeholder types identified in the Executive Order, as well as additional interests such as disadvantaged communities and environmental justice advocates, academia, industry, professional associations, and others. These meetings were open to the public and used to solicit input for EO Agency consideration in developing the long-term framework for water conservation. The framework development, its associated public outreach and stakeholder engagement process, and the public comments received are available at DWR's website, http://www.water.ca.gov/wateruseefficiency/conservation/.

The final framework report was released on April 7, 2017. This Report, titled ***Making Water Conservation a California Way of Life, Implementing Executive Order B-37-16***, addresses EO requirements, provides information to the Legislature and other interested parties on the EO Agencies' proposed framework for efficient water use, and includes a proposed implementation timeline. Collectively, the EO Agencies will be undertaking a suite of actions that can be implemented using existing authorities, ranging from rulemaking proceedings to expanded technical assistance, to evaluation and certification of new technologies to implement the four objectives. Where necessary, the EO Agencies have also recommended additional actions and authorities to meet EO requirements that require legislation for implementation.

The intent of the proposed long-term conservation framework is to:

*(1) **Facilitate** a fundamental shift of conservation implementation to a more durable, equitable, and consistent framework for the State;*

*(2) **Provide** greater statewide consistency in preparing Urban Water Management Plans, Water Shortage Contingency Plans, and Agricultural Water Management Plans; and continue to work with counties to improve drought planning in small communities and rural areas;*

*(3) **Enable** water suppliers to customize their water management strategies and plan implementation to regional and local conditions;*

*(4) **Empower** water suppliers to take a place-based response to water shortages caused by drought or other water emergencies; and*

*(5) **Incentivize** use of new technologies and set standards to reduce leaks.*

Key elements of the proposed framework are included below. The Administration is proposing legislation for water conservation standards and reporting, urban water shortage contingency planning, and agricultural water management planning.

Use Water More Wisely

Emergency Conservation Regulations (EO Item 1). The Water Board's emergency conservation regulations expire on November 25, 2017. After evaluating current hydrologic conditions across California, the Water Board will rescind the emergency requirement for a water supply stress test or mandatory conservation standard for urban water agencies, but, to provide a bridge to permanent requirements, it will continue to require monthly reporting and to prohibit wasteful practices (see below).

New Water Use Targets (EO Items 2 and 6). Upon statutory authorization, the EO Agencies would adopt new water use standards for all urban water use and a new urban water use target methodology. Urban water suppliers would, in turn, be required to calculate their unique water use targets based on those standards and local conditions. The EO Agencies will establish provisional standards that are applicable starting in 2018, adopt the final standards by 2021, and require full compliance with final targets by 2025. The proposed standards and implementation are not intended to affect or otherwise limit any rights to water conserved under applicable law, including the California Water Code Section 1011.

Permanent Monthly Reporting (EO Item 3). The Water Board will open a rulemaking process to establish permanent monthly urban water reporting on water usage, amount of conservation achieved, and any enforcement efforts. The rulemaking will run through 2017, concurrently with EO Item 4, below.

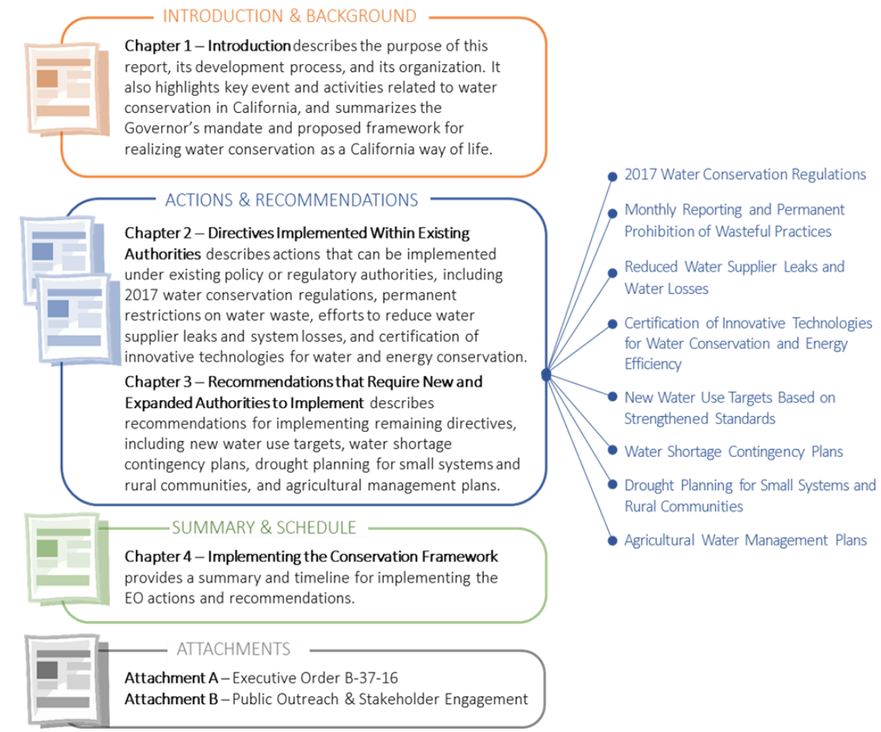
Eliminate Water Waste

Water Use Prohibitions (EO Item 4). The Water Board will open a rulemaking process to establish permanent prohibitions on wasteful water practices, building on the current prohibited uses in the emergency regulation. The rulemaking will run through 2017, concurrently with EO Item 3, above.

Minimizing Water Loss (EO Items 5 and 6). The EO requires DWR and the Water Board to direct actions to minimize system leaks, accelerate data collection, improve system management, and prioritize capital projects that reduce water waste. The EO Agencies will meet the requirements of EO Items 5 and 6 through implementation of Senate Bill 555, along with additional actions to satisfy the Executive Order's directives related to reducing water supplier leaks. The implementation actions include adopting rules by DWR in 2017 for validated water loss audit report, establishing water loss performance standards by the Water Board by July 1, 2020, providing technical assistance for water loss audits, and offering financial assistance through the Drinking Water State Revolving Fund. The CPUC ordered large, investor-owned water utilities to accelerate work to minimize leaks by adopting Resolution W-5119 on December 1, 2016, to acknowledge the progress these utilities have made in keeping non-revenue water percentages stable and to encourage further work to accelerate actions to minimize leaks, recognizing that system leaks are one component of non-revenue water. The CPUC may grant financial incentives for minimizing leaks during the review of each utility's upcoming General Rate Case application.

Innovative Water Loss & Control Technologies (EO Item 7). The CEC will continue to evaluate technologies for water loss detection and control and work with EO agencies and stakeholders to provide new information. The CEC is also making investments in research and funding programs for water saving devices and technologies.

Summary Report Organization



Strengthen Local Drought Resilience

Water Shortage Contingency Plans (EO Items 8, 9, and 6). Upon statutory authorization, urban water suppliers would be required to submit Water Shortage Contingency Plans and conduct 5-year Drought Risk Assessments every five years, and conduct and submit water budget forecasts annually. The EO Agencies would establish appropriate compliance and reporting criteria, and provide assistance to urban suppliers for meeting the requirements. Additional authorities would be required for successful implementation.

Drought Planning for Small Water Suppliers and Rural Communities (EO Item 10). The EO Agencies' recommendations focus on improving drought vulnerability assessment and proactive response actions, and supplier readiness and responsiveness during drought conditions. Currently, the recommendations focus on pathways for the EO Agencies to continue to work with cities, counties and stakeholders to develop more specific, functional recommendations, which are expected to continue into 2017. Additional authorities may be required for successful implementation.

Improve Agricultural Water Use Efficiency and Drought Planning

Strengthened Agricultural Water Management Plan Requirements (EO Items 11, 12, 13, and 6). Upon statutory authorization, each agricultural water supplier would be required to: (1) develop an annual water budget for the agricultural water service area, (2) identify agricultural water management objectives and implementation plans, (3) quantify measures to increase water use efficiency, and (4) develop an adequate drought plan for periods of limited supply. The EO Agencies recommendation would expand existing requirements to require agricultural water suppliers providing water to over 10,000 irrigated acres of land to prepare, adopt, and submit plans by April 1, 2021, and every five years thereafter. Expanded authorities would be required for successful implementation.