



Update on State of California's Implementation of Governor's Executive Order B-37-16

Integrated Resources Planning Committee

Item 7c

October 25, 2016

On May 9, 2016 Governor
Brown Issued Executive
Order B-37-16

“Making Conservation A Way
Of Life”

DWR and State Board Must Jointly Develop Two Proposals

- New long-term efficiency targets that go beyond 20% by 2020 targets
- Strengthen requirements for Water Shortage Contingency Plans (WSCP)
- Both proposals must be submitted to governor and legislature by Jan 10, 2017

An Urban Advisory Group Was Established To Provide Input

- Getting input was required in the Executive Order
- Approximately 35 water agencies and NGO's represented from around California
- Three meetings thus far with another set for early November
 - Technical sub-groups have also been established

Draft Proposal: Long-term Water Use Efficiency Targets

The Following Practices Would Be Permanently Prohibited

- Hosing off sidewalks, driveways, other hardscape
- Washing cars without a hose shut-off nozzle
- Non-recirculating water in decorative features
- Watering lawns in a manner that causes runoff
 - Including watering within 48 hours of rain
- Irrigating ornamental turf on street medians
- Additional practices may also be prohibited
 - No proposal on additional items yet

Proposed Water Budgets For California Water Agencies

- State agencies will establish a long term framework for new water use targets based on water budgets calculated from standards for 4 sectors
 - Indoor residential
 - Outdoor irrigation
 - Commercial/Industrial/Institutional (CII)
 - Distribution System Loss
- Must increase targets beyond 20% by 2020
- Also requires permanent monthly reporting

Indoor Residential Standard

- Proposed standard:
 - Provisional standard of 55 GPCD
 - Revise downward in 2018, based on additional studies, to be achieved by 2025.
- State will reevaluate in 2025 to reassess 2030 standard

Outdoor Irrigation Standard

- $(ETAF) \times (\text{Landscape Area}) \times (ET_o) = \text{volume}$
- ETAF is the Evapotranspiration Adjustment Factor
 - = landscape plant factor/Irrigation Efficiency
 - Used to quantify the type of planting and the level of water use in a landscape
- Model Water Efficient Landscape Ordinance(MWELO) uses ETAF to establish water budgets for landscapes

Age Of Developments Would Impact The Standard For An Agency

- Sum of outdoor water budgets for individual parcels or aggregate service area
 - Pre 2010 landscapes 0.8
 - 2010 to 2015 0.7
 - Post 2015 0.55 Residential
0.45 Commercial
 - Special Landscapes 1.0
(including any areas irrigated with recycled water)

Commercial Budgets and Adjustment For Leakage Will Have Other Processes

- Need to classify all industry/commercial businesses in area by NAICS code
- Develop benchmarks for major industries in area
- Require commercial accounts with large landscape areas to have separate metering
- Require audits and water management plans from commercial/industrial customers
 - Unclear if this applies to retail customer or water agency

In 2018 Agencies Will Get Data Based on Aerial Imagery Of Landscape Areas

- DWR releases technical guidance document on water budget targets, reporting, and compliance
 - All suppliers receive land use area data from DWR by summer of 2018
- State agencies finalize indoor, outdoor, and CII standards for compliance by 2025
- All final standards will be developed through a public process

In 2019 Agencies Will Need To Report On The New Efficiency Standards

- Within six months of receiving land use area data, or by April 1st (whichever comes later), suppliers submit a report (supplemental UWMP) to DWR detailing:
 - Calculation of 2018 provisional targets
 - Narrative description of whether the supplier is meeting their provisional target
 - A narrative description of actions the supplier will take to meet targets by 2025
 - Water loss standard set by State Board

Enforcement Would Begin In 2026

- Suppliers submit 2025 compliance report on water use targets
- Suppliers that do not meet 2025 targets are subject to enforcement by SWRCB
- SWRCB enforcement could include:
 - Information Orders
 - Conservation Orders
 - Cease & Desist Orders
 - Administrative Civil Liability penalties (fines)
- Enforcement from state would only occur at the supplier level

Draft Proposal: Strengthen Water Shortage Contingency Plans (WSCP)

Directives for Strengthening Local Drought Resilience

- 8) The Department shall strengthen requirements for urban WSCPs... updated requirements shall:
 - Include adequate actions to respond to droughts lasting at least 5 years, as well as more frequent and severe periods of drought
 - Remain customized according to local conditions
 - Create common statewide standards

Agency WSCP's Would Be Standardized

- Plan must identify actions agency would take to reduce demand at different shortage thresholds
 - Uniform reduction thresholds
 - Up to 10%
 - Up to 20%
 - Up to 30%
 - Up to 40%
 - Up to 50%
- Each agency may have different actions
- Agencies must report authority to enforce reductions when required

WSCP's To Include Additional Elements

- Documentation of ability to enforce actions identified in WSCP
- Communications plan
- Financial plan to address reduced demand when WSCP actions are triggered
- Process to update WSCP every 5-years

Annual Water Budget Forecast & 5-Year Drought Risk Assessments

- Suppliers would be required to submit annual report showing available supplies vs. demands
 - Local agency determines if WSCP needs to be triggered
 - Is mandatory conservation/other action needed?
 - All supplies can be used in projections
 - Show data used to support projections and process of review with council/board
- 5-Year Drought Risk Assessment must also be submitted annually
 - Agencies must use “driest plausible hydrology”

State To Monitor, Report, and Enforce

- State to keep track of agencies that have implemented their WSCP's
 - Enforcement to ensure agencies are following through with actions in their plan
 - Enforcement to ensure agencies submit adequate plans
- State to report info on statewide water use and shortage actions
- Agencies must continue monthly reporting of demands

Water Agencies Coordinating Through ACWA

Overview Of Water Agency Feedback: Efficiency Proposal

- Proposal should include multiple paths to compliance
 - Budget-based approach may not work for all
 - Measuring landscape area using aerial imagery is not practical everywhere
 - An alternative based on percentage reduction should be developed
- Proposal needs to focus on efficiency
 - Don't force changes in landscape for existing customers without providing incentives or local authority

Overview Of Water Agency Feedback: Efficiency Proposal (cont'd)

- Allow time for technical analysis of how this approach will affect water agencies first
 - 30 agency pilot study
- Recycled water should be considered efficient
- Allow phased implementation over time
- Do not place water budgets on Commercial/Industrial use
 - Develop a workgroup to provide Commercial/industrial recommendations

Overview Of Water Agency Feedback: WSCP Proposal

- Local agencies should determine when WSCP's are triggered
 - Allow agencies to account for all supply investments
- 5-year drought risk assessment should be done in Urban Water Management Plans
 - Annual risk assessment could mislead public
 - Use historic period applicable to local agency, not a synthetic hydrology
- Shortage Thresholds should be unique to each agency

Timeframe

- State to release formal draft proposal on November 14th
- Next meeting of Urban Advisory Group on November 18th
- Public comments due on November 23rd
- Final proposal to governor and legislature January 10th, 2017
 - **Legislation likely to follow**

