

Conservation and Local Resources Committee

Item #4a

Subject: Review of Alliance for Water Efficiency Peer Review of Metropolitan's
Conservation Program

Conservation and Local Resources Committee

Item #4a

Introduction to the Peer Review Performed by the Alliance of Water Efficiency of Metropolitan's Conservation Programs



Peer Review of Metropolitan's Conservation Programs

Conservation and Local Resources Committee

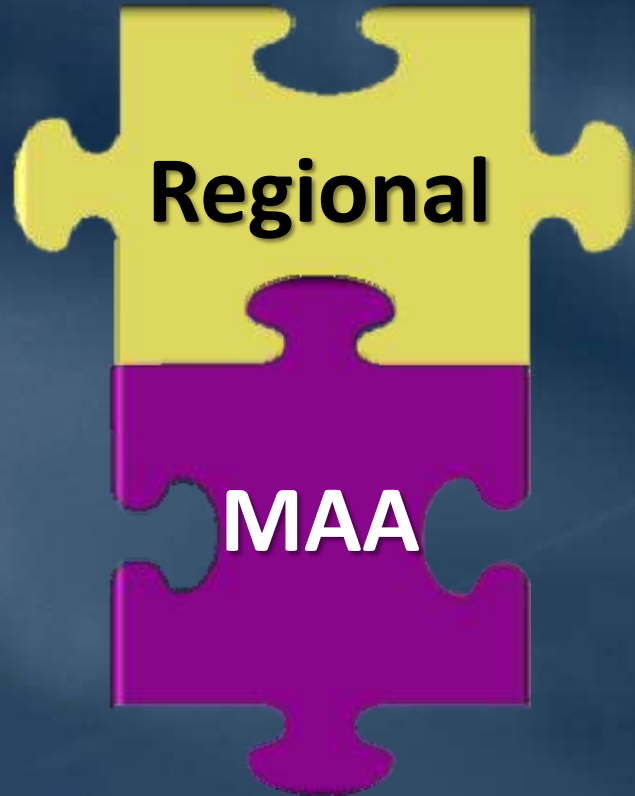
Item 4a

May 23, 2017

Peer Review History

- August 2016 - Metropolitan requested external review for the Conservation programs
- Alliance for Water Efficiency presented at the October 2016 Integrated Resources Planning Committee on the Peer Review Process
- January 2017 - Peer Review team interviewed Metropolitan and Member Agency conservation staff
- May 2017 - Alliance for Water Efficiency presents findings of the Peer Review to Conservation and Local Resources Committee.

Components of Conservation Program



Incentives offered regionally
via SoCalWaterSmart.com

Incentives offered through
member agency
administered programs

Components of Conservation Program



Water Savings
Incentive Program

Innovative Conservation Program,
partnerships, and others

Components of Conservation Program

Classes and Landscape Surveys



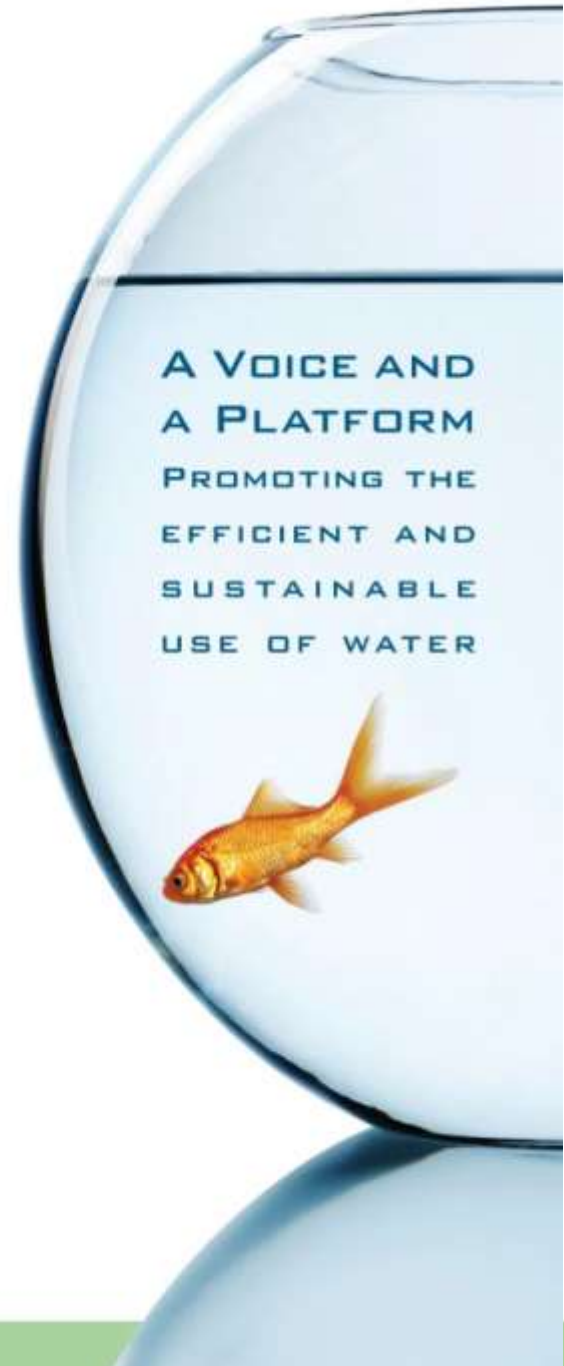
Program Advisory Committee

Components of Conservation Program



Peer Review of the Demand Management Programs of the Metropolitan Water District of Southern California

Peter Mayer, P.E.
Principal, WaterDM



Alliance *for* Water Efficiency

Peer Review Goal

To perform a thorough, but high level review of MWD's water conservation program efforts to date and offer insights and recommendations about how the program should evolve in the future to be more effective.

Peer Review Team

- Erin Morey, New York City Dept of Environmental Protection, NY
- Doug Bennett, Southern Nevada Water Authority, NV
- Karen Guz, San Antonio Water System, TX
- Kathy Nguyen, Cobb County Water System, GA
- Carol Ward-Morris, Arizona Municipal Water Users Association, AZ

- Peter Mayer, Bill Gauley, and Mary Ann Dickinson

Peer Review Process

- Informational report on Metropolitan conservation program
- Team teleconference
- Peer review site visit
- Summary of reviewer comments
- Team teleconference to produce recommendations

Member Agencies Contributing to the Peer Review

- Los Angeles Department of Water and Power
- San Diego County Water Authority
- Municipal Water District of Orange County
- Eastern Municipal Water District
- City of Beverly Hills
- Three Valleys Municipal Water District

Peer Review Summary Comments

- Peer review is based on a brief window of insight.
- The exceptional challenges faced during a drought crisis led to this peer review.
- *The Peer Review Team found that Metropolitan's water conservation programs were exceptional, far reaching, and innovative particularly given the enormous service area and limited staff resources.*

Peer Review Summary Comments (cont.)

- Metropolitan staff were open and forthcoming. The peer reviewers were complimentary of the performance of this small group of staff, particularly during such a severe and long-lasting drought.
- Member Agency staff were also open and forthcoming - offering perspective and constructive suggestions for improving the Metropolitan conservation program.
- All comments from the Peer Review Team, Metropolitan Staff, and Member Agencies are presented anonymously.

11

Consensus Peer Review Recommendations

1

Evaluate and Increase the Base Conservation Rate of \$195/AF.

- This maximum value is fundamental to the entire conservation program.
- Re-evaluate and increase the cost-efficiency threshold
 - Could be based on the avoided cost of new supply in MWDs portfolio; or
 - Could be market-based, at level needed to incentivize action.

2 Improve and Expand Conservation Research

- Metropolitan is a national leader in both funding and conducting conservation research.
- Member **Agencies (MA's)** want more pilot research and more rigorous program evaluation.
- **Create committee of staff, MA's, and technical experts** to develop a prioritized research agenda.

2

Improve and Expand Conservation Research (cont.)

- Integrate research agenda and evaluation into programs as they are developed and launched.
- **Involve MA's throughout the process so they are fully prepared to participate and provide data.**
- Metropolitan needs additional staff dedicated to conservation research, evaluation, and data management.

3

Develop a Comprehensive Education Effort

- **Metropolitan's** education offerings are valuable and should be improved and expanded.
- **Metropolitan's education and outreach efforts are an essential** component of the landscape transformation process, accelerated through the turf replacement program.
- Education programs are not well suited to a "Just in Time" approach. Programs need to be developed and improved over time.
- Evaluate Metropolitan curriculum along with existing offerings **of MA's and beyond to identify the shared needs across the** service area.

3 Develop a Comprehensive Education Effort (cont.)

- Engage the green industry and universities in development and implementation of professional training.
- Develop core curricula that can be customized by MAs or local experts to address local climate, conditions, etc.



4

Reinstate the Turf Removal Program

- **Metropolitan's turf replacement** program was a valuable and necessary response to drought.
- More than just an emergency response, this program can be part of a long term change to urban landscapes.
- Lower water use is prioritized.
- Platform for promoting California Friendly landscapes, homeowner classes, and professional training.



4




Reinstate the Turf Removal Program (cont.)

- Maintain this program and its capabilities to further advance landscape changes and to keep the ability to **“ramp up” the program if needed.**
- Establish a fixed annual budget. Refine and scale the **program annually in coordination with the MA’s.**
- Incentive must be enough to motivate customers to participate in the program.

5 Expand the Water Savings Incentive Program (WSIP)

- The WSIP is valuable and should be expanded and improved.
- CII water use efficiency is complex. WSIP approach is good, but administratively intensive.

Project Examples:

UC Irvine	Emerald Textiles	Starbucks
		
<ul style="list-style-type: none">• Med Center• \$4K / 20 AF	<ul style="list-style-type: none">• Filter / Recycle water for Tunnel Washers• \$240K / 1,100 AF	<ul style="list-style-type: none">• Store RO Filtration System• \$8.2K / 55 AF

5 Expand the Water Savings Incentive Program (cont.)

- Additional assistance is needed to manage multiple projects across the region. Contract out for marketing, inspections, and some program administration.
- Reduce barriers to participation and simplify contracting.
- Set minimum \$\$ and water savings thresholds to ensure cost-efficiency.



6 Re-start Member Agency Program Advisory Committee

- Program Advisory Committee (PAC) meetings are important for member agency engagement, communication, and program success.
- **Member agencies value the “practical, detailed, and technical” forum that the PAC provides.**
- Members want productive, valuable meetings.
- Member agencies are anxious to resume these meetings as they were prior to the drought.

7 Before Eliminating Rebates, Work **with MA's on Sunset Date** and Final Promotion

- Metropolitan and MA's must determine if and when to terminate rebate programs.
- May consider saturation studies to base decisions on and ID where there may be opportunities to address through MAA programs or targeted pilots.
- As a practice, if funding is available, have **one last "fire sale" push before closing down.**



8

Continue the Regional and Member Agency Administered Programs

- The Regional Conservation Program is **Metropolitan's** primary program, offering a one stop shop for all customers.
- Member Agency Program (MAP) is local and has strong support.
- The combination of the two allows Member Agency options.
- MAP provides local adaptation member agencies appreciate.
- The combination of both program elements enables Metropolitan flexibility to swiftly modify and accommodate different conditions, such as drought.

9

Consider Additional Staffing for Water Conservation

- Metropolitan: 10 FTEs serving population of 19 million.
- Comparison: Southern Nevada Water Authority – 16 FTEs serving population of 2.1 million.
- Metropolitan has little or no capacity for redundancy or cross training.
- Several critical functions have no back up during a prolonged absence or staff vacancy.



10 Continue Role in Codes & Standards and Legislation

- Codes, standards, and legislation have played an essential role in increasing water use efficiency.
- These types of wide-reaching changes have driven market-scale improvements in water efficiency and reduced per capita consumption.
- **Metropolitan's** role in driving these efficiency policies was significant.
- Metropolitan should continue an active role with the potential to reduce future water demand.

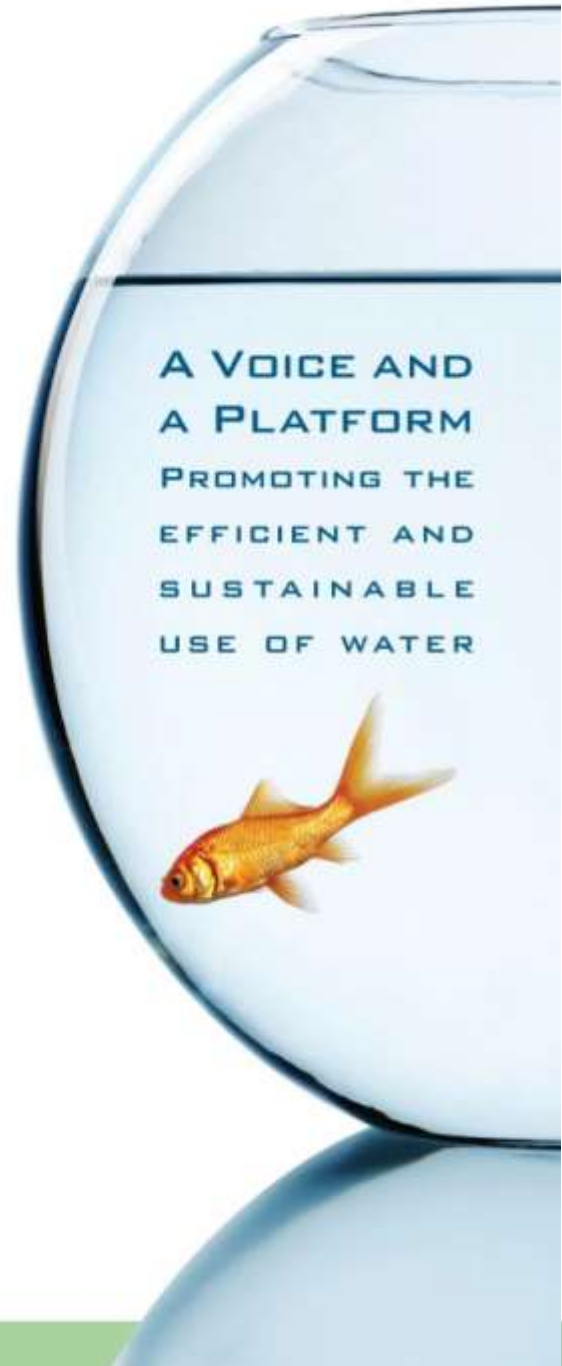
1 1 Target Programs to Disadvantaged *and* High Water Users

- Where possible, work **with MA's to target** customers across regions.
- High water users have the greatest potential for savings.
- Disadvantaged customers are least likely to benefit from Metropolitan program offerings without assistance.
- These are very different customer groups, but both have potential to benefit.



Thank you

Peter Mayer, P.E., Principal
peter.mayer@waterdm.com



A VOICE AND
A PLATFORM
PROMOTING THE
EFFICIENT AND
SUSTAINABLE
USE OF WATER