

**December 7, 2020 Public Hearing for Achievements in Conservation, Recycling and
Groundwater Recharge Correspondence Received List**

Ref No.	Date & Time Received	Name	Organization	Email	Date Sent to BOD
1	11/23/2020 @ 11:21 AM	Jaymie Felipe, Plant Operations COORD/Safety Officer	Greater El Monte Community Hospital	jrobinson@johnrobinsonconsulting.com	12/3/2020
2	11/25/2020 @ 3:33 PM	James Enriquez, PE, Director of Public Works	Public Works Department, City of Montebello	jrobinson@johnrobinsonconsulting.com	12/3/2020
3	12/1/2020 @ 5:50 PM	David Blekhman, Professor & Technical Director, Hydrogen Research & Fueling Facility	California State University, Los Angeles - College of Engineering, Computer Science and Technology	blekhman@calstatela.edu	12/3/2020
4	12/3/2020 @ 3:19 PM	Tia Lebherz, Executive Director, External Affairs Sarah Foley, Executive Director, Operations	California Water Efficiency Partnership	sarah@calwep.org	12/4/2020
5	12/4/2020 @ 7:47 AM	Mary Ann Dickinson, President & CEO	Alliance for Water Efficiency	maryann@a4we.org	12/4/2020



A Chapter of the Alliance *for* Water Efficiency

December 3, 2020

Mr. Jeffrey Kightlinger
General Manager
Metropolitan Water District of Southern California
700 N. Alameda Street
Los Angeles, CA 90012

Dear Mr. Kightlinger:

The California Water Efficiency Partnership supports the accomplishments of Metropolitan in water conservation, recycling and groundwater recharge.

We applaud your savings of 3.055 million acre-feet of water since 1990 and your investment of \$799 million to achieve these savings.

CalWEP is committed to helping its members comply with the requirements of the 2018 Conservation Framework legislation by developing tools, providing technical support, and conducting research to help them achieve their conservation goals. In 2020 MWD supported this work by approving a cost share of 50% of CalWEP and Alliance for Water Efficiency dues to MWD member agencies. We are pleased to report that this year 78 MWD member agencies joined CalWEP and AWE as members. Of this number, 10 agencies were new or returning members. MWD employees and member agency staff are represented on our boards and committees, providing leadership and helping us advance this important work.

Your continued commitment to water use efficiency and conservation is appreciated. We look forward to our continued partnership.

Sincerely,

A handwritten signature in black ink, appearing to read "Tia Leberz".

Tia Leberz
Executive Director, External Affairs

A handwritten signature in black ink, appearing to read "Sarah Foley".

Sarah Foley
Executive Director, Operations



December 7, 2020

Mr. Jeffrey Kightlinger
General Manager
Metropolitan Water District of Southern California
700 N. Alameda Street
Los Angeles, CA 90012

RE: Draft 2021 Metropolitan Annual Progress Report to the State Legislature

Dear Mr. Kightlinger:

The Alliance for Water Efficiency (AWE) is pleased to submit comments on Metropolitan's Draft 2021 Report, which is required to be filed annually under Section 130.5 of the Metropolitan Water District Act and SB 60 (enacted in 1999 by the California Legislature and signed by the Governor).

These reports are an annual tradition that we welcome seeing. As in past years, this 2021 report documents Metropolitan's excellent achievements over the past 40 years in conservation, recycling and groundwater recharge -- achievements that are all the more remarkable given that so many months of the 2019-2020 year were during the pandemic lockdown. Despite the inability of staff to travel or even come to the headquarters office, programs continued, virtual education classes were run, and the savings goals were met.

In the draft report, we particularly support Metropolitan's achievements in conservation and efficiency. Conservation program investments in fiscal year 2019-2020 totaled more than \$43 million and resulted in a total lowering of water use by an estimated 1.060 million acre-feet – an impressive gain considering the year was marred by the slowdown effects of the pandemic. Cumulatively, Metropolitan has saved over 3.270 million acre-feet since 1990, for a total of \$824 million spent. We do not believe that there is a wholesaler anywhere in the United States that can come close to matching these numbers.

In our review of your report last year we commented on three specific issues which we would like to raise again:

1. Implementing recommendations in the 2017 AWE Peer Review Report.
2. Funding beyond the cost-effectiveness of conservation requirements under the 2018 Water Conservation Framework legislation.
3. Metropolitan's subsidy of California Water Efficiency Partnership membership dues.

33 N LaSalle Street
Suite 2275
Chicago, IL 60602

OFFICE (773) 360-5100
TOLL-FREE (866) 730-A4WE
FAX (773) 345-3636

allianceforwaterefficiency.org
home-water-works.org



Implementing recommendations in the 2017 AWE Peer Review Report.

In 2017 – at Metropolitan’s request – AWE convened a team of five recognized experts to conduct a peer review of Metropolitan’s water conservation programs for the purpose of providing detailed recommendations. Eight recommendations were prepared, contained in the attached report which we issued to Metropolitan in May, 2017. Since then, Metropolitan has continued to make significant progress on implementing these recommendations. In particular, this year the turf removal program was made a long-term program with 4.3 million square feet of lawn removed in this past year alone. In addition, Metropolitan also embraced the AWE review recommendations to continue all the local and regional programs, and to implement disadvantaged community programs. We commend Metropolitan for this commitment.

Funding beyond the cost-effectiveness of conservation requirements under the 2018 Water Conservation Framework legislation.

Last year we provided this comment and we wish to include it again in this year’s letter, as it is an issue of great concern to us. As you know, the California Legislature passed two bills establishing a water conservation framework for “Making Conservation a Way of Life.” AB 1668 and SB 606 were both enacted and signed by the Governor in May of 2018, setting forth a process for assigning customized water conservation objectives (or targets) to all water agencies serving 3,000 or more connections, or delivering 3,000 or more acre-feet annually.

These water conservation targets will include four distinct components: indoor residential water use, outdoor residential water use, outdoor commercial and industrial water use, and distribution system water loss reduction. As we are watching the compliance options unfold, it is becoming clear that compliance will not be tied to cost-effectiveness as it has been in the past. Metropolitan thus should not limit the funding of conservation programs for its member agencies to only those program options that would be “cost-effective”; if so, that may mean that the residential outdoor target in particular may not be easily met by some of Metropolitan’s member agencies. Developing the landscape measurement and budgeting requirements will certainly be expensive for those medium to small agencies who have never conducted landscape measurement or budgeting before. AWE’s Chapter, the California Water Efficiency Partnership, is committed to helping water agencies with this significant burden by developing statewide tools for compliance, but ultimately the responsibility to fund the cost of compliance statewide will still rest with retailers and their wholesalers.

Thus, it is important that Metropolitan consider a wide range of funding options for member agency compliance with AB 1668 and SB 606, even if those options are not strictly cost-effective for Metropolitan under its current Conservation Credits Program guidelines. Because AB 1668 and SB 606 do not limit conservation framework compliance to only those conservation program options that are cost-effective, and because the targets are set independent of such analysis, AWE urges that Metropolitan’s investments in conservation continue at a level that will ensure the region’s overall compliance with these statewide objectives.

We understand that this is a tough request from a budgetary perspective. But without Metropolitan's financial support, Metropolitan's member agencies might not end up in compliance with their assigned targets, and would be subject to enforcement actions by the State Board. That would be very unfortunate.

Metropolitan's subsidy of California Water Efficiency Partnership membership dues.

At its October 8, 2019 meeting, the Metropolitan Board of Directors approved subsidizing 50% of the annual dues for each of its member agencies for membership in the California Water Efficiency Partnership (CalWEP), a chapter of the Alliance for Water Efficiency. CalWEP's basic mission is to assist California water agencies in developing tools for complying with the 2018 Conservation Framework legislation, and to provide technical support to its members. Therefore, Metropolitan's support of this effort is a very valuable contribution, and we applaud and thank you for your leadership on this issue.

Thank you for the opportunity to comment on the 2021 Draft Report. It is a personal pleasure. We stand ready and willing to provide any assistance to Metropolitan that might be desired.

Sincerely,



Mary Ann Dickinson
President and CEO



MAY 2017

A Peer Review of the Conservation Programs of the Metropolitan Water District of Southern California

A Peer Review of the Conservation Programs of the Metropolitan Water District of Southern California

May 2017



Alliance for Water Efficiency
33 N. LaSalle Street, Suite 2275
Chicago, Illinois 60602
www.allianceforwaterefficiency.org

Prepared by

- Peter Mayer, P.E.
Principal
WaterDM
- Bill Gauley, P.Eng.
Principal
Gauley Associates Ltd.

Peer Review Team

- Doug Bennett
Conservation Manager
Southern Nevada Water Authority
- Karen Guz
Conservation Director
San Antonio Water System
- Erin Morey
Deputy Director
NYC Environmental Protection, Bureau of Environmental Planning & Analysis,
Integrated Water Management
- Kathy Nguyen
Senior Project Manager
Cobb County Water System
- Carol Ward-Morris
Assistant Director
Arizona Municipal Water Users Association

Facilitator

- Mary Ann Dickinson
President/CEO
Alliance for Water Efficiency

Contents

Peer Review Project and Team.....	2
Peer Review Team	2
Peer Review Process	3
Peer Review Summary Comments	3
Consensus Peer Review Recommendations	4
Recommendation 1 – <i>Evaluate and Increase the Base Conservation Rate of \$195/AF.....</i>	4
Recommendation 2 – <i>Improve and Expand Conservation Research</i>	5
Recommendation 3 – <i>Develop and Implement a Comprehensive Conservation Education and Outreach Effort</i>	5
Recommendation 4 – <i>Reinstate the Turf Replacement Program.....</i>	6
Recommendation 5 – <i>Expand the Water Savings Incentive Program, and Reduce Barriers to Participation</i>	7
Recommendation 6 – <i>Improve Member Agency Program Advisory Committee Meetings</i>	7
Recommendation 7 – <i>Before Eliminating Rebates, Work with MA’s on Sunset Date and Final Promotion</i>	8
Recommendation 8 – <i>Continue the Regional and Member Agency Administered Programs.....</i>	8
Recommendation 9 – <i>Consider Additional Staffing for Water Conservation.....</i>	9
Recommendation 10 – <i>Continue Metropolitan’s Role in Development of Codes and Standards and Legislation</i>	9
Recommendation 11 – <i>Target Metropolitan Conservation Programs to Both Disadvantaged Customers and High Water Users.....</i>	10

Peer Review Project and Team

The Metropolitan Water District of Southern California (Metropolitan) is a public agency and a regional water wholesaler that implements water conservation programs to approximately 19 million people through its 26 Member Agencies, including some of the largest water providers in Southern California. Metropolitan has implemented traditional long-term conservation programs over many years but recently, in response to the severe California drought, Metropolitan made a two year spending commitment nearly \$450 million on conservation and efficiency programs.

The goal of this peer review project was to perform a thorough, but high level, review of Metropolitan's water conservation program efforts to date and to offer insights and recommendations about how the program could evolve in the future to be more effective.

Peer Review Team

Consulting Experts

- **Peter Mayer, P.E.**, Principal, WaterDM - Principal Investigator
- **Bill Gauley, P.Eng.**, Principal, Gauley Associates Ltd. - Co-Principal Investigator

Urban water expert, Peter Mayer, P.E., a consultant and researcher with more than 20 years of experience designing and evaluating demand management programs, led the peer review on behalf of the Alliance for Water Efficiency. Bill Gauley, P.Eng., Canada's most experienced water conservation engineer and researcher, served as the co-principal investigator.

Peer Reviewers

Peer reviewers included five of the most knowledgeable and experienced professionals practicing in the field of water conservation and demand management today.

- **Doug Bennett**, Conservation Manager, Southern Nevada Water Authority
- **Karen Guz**, Conservation Director, San Antonio Water System
- **Erin Morey**, Deputy Director, NYC Environmental Protection, Bureau of Environmental Planning & Analysis, Integrated Water Management
- **Kathy Nguyen**, Senior Project Manager, Cobb County Water System
- **Carol Ward-Morris**, Assistant Director, Arizona Municipal Water Users Association

Facilitation

The review was conducted under the auspices of the Alliance for Water Efficiency (AWE). AWE, and in particular **Mary Ann Dickinson**, President and CEO, provided coordination, planning, technical, and administrative support for the project team.

Peer Review Process

The peer review of Metropolitan's water conservation program included the following components:

1. **Informational Report.** Mayer and Gauley prepared an informational report outlining the history of Metropolitan's conservation programs to help set the context for the peer review team.
2. **Presentation to Metropolitan IRP Committee.** On October 25, 2016, Mayer presented an overview of the project to the Metropolitan Integrated Resources Planning Committee.
3. **Team Teleconference #1.** After reviewing the Informational Report (but prior to meeting in person) the Peer Review Team held a teleconference on January 12, 2017 to discuss details of the program and to prepare for the site visit.
4. **Peer Review Site Visit.** The 8-member peer review team travelled to Los Angeles and met with Metropolitan staff and Member Agency representatives on January 26 and 27, 2017. On January 26, the peer review team met for more than 7 hours with Metropolitan conservation staff. On January 27, the peer review team met with conservation representatives from Member Agencies including:
 - a. Los Angeles Department of Water and Power
 - b. San Diego County Water Authority
 - c. Municipal Water District of Orange County
 - d. Eastern Municipal Water District
 - e. City of Beverly Hills
 - f. Three Valleys Municipal Water District

The peer review team and Member Agencies engaged in a lively discussion on the pros and cons of Metropolitan's conservation program offerings.

5. **Summary of reviewer comments.** Mayer summarized and grouped reviewer comments and recommendations and provided this summary report to the peer reviewers.
6. **Team Teleconference #2.** During a teleconference held on March 15, 2017, the Peer Review Team reached a consensus regarding which recommendations to put forward.
7. **Summary Report.** An outline of the overall peer review process and identification of the consensus recommendations are provided in this report.
8. **Presentation to Metropolitan Conservation and Local Resources Committee.** On May 23, 2017, Mayer presented the peer review consensus recommendations to the Metropolitan Board's Conservation and Local Resources Committee.

Peer Review Summary Comments

- This peer review is based on a brief window of insight into Metropolitan.

- The Peer Review Team understands that 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.
- The discussions during the peer review meetings were frank and far ranging, and the peer review team found the staff from Metropolitan and the Member Agencies to be knowledgeable and well prepared to provide information and perspective.
- The Peer Review Team felt Metropolitan staff were open and forthcoming regarding the challenges they faced and the successes they achieved. 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 that participated in this review were also open and forthcoming - offering constructive suggestions for improving the Metropolitan conservation program.
- All comments from the Peer Review Team, Metropolitan Staff, and Member Agencies are not for attribution. This was clearly explained in advance to assure a more open and honest opportunity for dialog.

Consensus Peer Review Recommendations

The consensus recommendations are the consensus recommendations and in some cases comments from the Peer Review Team. These recommendations are offered with the goal of improving and enhancing the Metropolitan water conservation program for Member Agencies and their water customers.

Recommendation 1 – Evaluate and Increase the Base Conservation Rate of \$195/AF

The peer review team understands that to be considered cost-effective, Metropolitan's water conservation programs must cost less to implement than the current base conservation rate of \$195 per acre-foot. The base conservation rate is for rebates themselves, does not include vendor administration fees nor any Metropolitan's staff costs. Some rebate items such as rain barrels and turf removal do not follow this base rate. Programs such as classes and landscape audits are not based on this rate.

The peer review team recommends Metropolitan re-evaluate the current Base Conservation Rate (established in 2005 by Metropolitan's Board) with the intent of increasing it. The new rate could

be based on the avoided cost of obtaining, treating, and delivering new supply in Metropolitan's service area; or it could be market-based and set at a level needed to incentivize action.

Recommendation 2 – Improve and Expand Conservation Research

While Metropolitan is a national leader in both funding and conducting conservation research, The Peer Review Team agrees with Member Agencies (MA's) that even more pilot research and rigorous program evaluation should be conducted.

The Peer Review Team recommends that Metropolitan create a committee of Metropolitan staff, MA staff, and technical experts to develop a prioritized research agenda and evaluation protocol. Once developed, Metropolitan should integrate the research agenda and evaluation protocol into all new programs as they are developed and launched.

Metropolitan should involve MA's throughout the process so they are fully prepared to participate and provide data for the research effort.

It is the Peer Review Team's opinion that additional resources will be needed to amplify and expand these efforts.

Recommendation 3 – Develop a Comprehensive Education Effort

Metropolitan's education offerings, including landscape and irrigation classes for the public and Member Agency staff, are valuable and should be improved upon and expanded. Some Member Agency staff felt Metropolitan's classes were "disjointed" and did not always contain appropriate regionally specific information, but there was broad agreement that educational offerings should be improved not scrapped and expanded where appropriate.



Comprehensive education and outreach programs are essential to Metropolitan's long-term goal of reducing water demands through landscape transformation, e.g., converting to California-friendly landscapes. This outreach can be an important part of the longer-term transformation to landscapes that require less water.

Because education programs are not well-suited to a "Just in Time" approach, they need to be implemented on an ongoing basis, with program content and delivery mechanisms updated and improved upon over time. This is especially important for programs with lengthy implementation periods, such as landscape and irrigation education programs.

The Peer Review Team recommends:

- Metropolitan meet with Member Agencies to identify the unique needs, wants, and priorities of each service area regarding education and outreach programming.
- Metropolitan review its current curriculum and make adjustments/develop more comprehensive material where practical and necessary to align programming with MA goals and maximize program effectiveness. While the fundamentals of good horticultural practices will remain the same, the goal is for Metropolitan to create a curriculum that applies across the service area and can be tailored to address the local environment.
- Engage the green industry, universities, and other specialists in landscape and irrigation training. This is particularly important with training programs for green industry professionals as their input and engagement will strengthen the program and buy-in

Recommendation 4 – Reinstate the Turf Replacement Program

Metropolitan’s turf replacement program was a valuable and necessary response to the extreme drought conditions experienced in the area.

More than just an emergency response, the turf replacement program can be part of a long-term change to urban landscapes where lower water use is prioritized. The turf replacement program is also a platform for promoting California Friendly landscapes.

The Peer Review Team feels it is important to maintain this program and its capabilities to further advance landscape changes and to keep the ability to “ramp up” the program in the future if needed.

The Peer Review Team recommends Metropolitan establish a fixed annual budget for the turf replacement program and provide an incentive level sufficient to motivate participation.



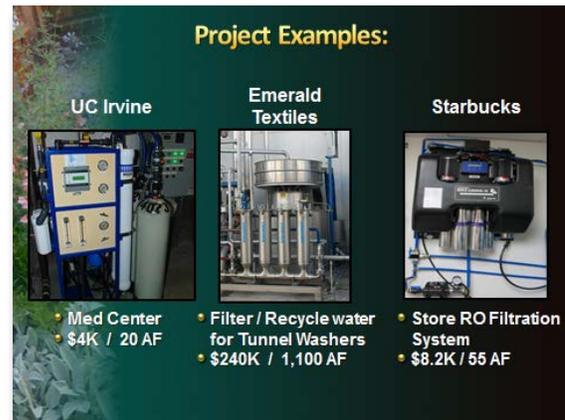
Metropolitan can refine and scale the program annually based on the budget and in coordination with the Member Agencies.

Recommendation 5 – Expand the Water Savings Incentive Program (WISP)

Metropolitan’s Water Savings Incentive Program (WSIP) is a valuable and innovative program that should be expanded and improved.

Commercial, Industrial, and Institutional (CII) water use efficiency, targeted by WSIP, is complex. The unique flexibility offered by the WSIP approach allows programs to be customized to meet the specific needs of individual water users but, unfortunately, it is administratively intensive.

To grow this program, additional staff assistance is needed to manage multiple incentive projects across the region. Metropolitan must also simplify the current contracting procedures, which are viewed as a significant barrier to MA participation and prospective applicants.



The Peer Review Team recommends that Metropolitan:

- Set minimum cost and water savings thresholds per participant to ensure cost-efficiency.
- Provide adequate resources to relieve the administrative burden and increase efficiency. Consider whether contracting out for marketing, inspections, and some program administration for the WISP would be appropriate.

Recommendation 6 – Re-start Member Agency Program Advisory Committee Meetings

Program Advisory Committee (PAC) meetings are important for member agency engagement, communication, and program success. Member Agencies stated that they valued the “practical, detailed, and technical” forum the PAC provides.

Member Agencies expressed to the Peer Review Team that PAC meetings held prior to the recent drought were generally very productive and valuable; however, meetings held during the drought weren’t as frequent, well-prepared, and focused. The Member Agencies are anxious to have the PAC meetings return to the productive level they achieved prior to the drought.

Recommendation 7 – Before Eliminating Rebates, Work with MA’s on Sunset Date and Final Promotion



There are differences of opinion about which rebate programs should be retired and when. To address the needs of all Member Agencies, the Peer Review Team recommends that Metropolitan and Member Agencies together determine if and when to terminate rebate programs.

Once decided, the Peer Review Team recommends Metropolitan establish a practice of having a final push for rebates before closing the program down. This should include increased promotion of the rebate noting that the program is ending and will no longer be available.

Recommendation 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 across the region.

There is strong support among the Member Agencies for the Regional Conservation Program to continue and there is also strong local support for the Member Agency Programs which provides funding at the agency level.

The combination of these two key Metropolitan conservation programs, allows Member Agencies implementation options and flexibility.

The Member Agency Program 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. Both of these programs should be continued.

Recommendation 9 – Consider Additional Staffing for Water Conservation

Metropolitan’s conservation program currently has 10 FTE staff serving a population of 19 million. For comparison, the Southern Nevada Water Authority has 16 FTE staff serving a population of 2.1 million.¹

Metropolitan operates the conservation program with little or no capacity for redundancy or cross-training. Several critical functions would have little or no back up during a prolonged absence or staff vacancy. There is also a strong desire from Member Agencies for Metropolitan to develop more comprehensive program evaluation and research initiatives – something that will almost certainly require additional staff.



Given the importance and success of water efficiency to the district, Metropolitan should consider additional staffing.

Recommendation 10 – Continue Metropolitan’s Role in Development of Codes and Standards and Legislation

Codes, standards, and legislation impacting fixtures, appliances, landscapes, water loss control, and other areas have played an essential role in increasing water use efficiency in California and across America. More than any individual program, these types of wide-reaching changes have driven market-scale improvements in water efficiency and reduced per capita consumption.

Over the past 30 years, Metropolitan has dedicated staff and resources to driving the adoption of numerous efficiency policies and the impact has been significant – not just in California but across the entire USA and even into Canada.

Metropolitan should deploy the necessary staff and financial resources to enable it to continue to play an active role in the development of water-efficiency codes, standards, and legislation.

¹ Southern Nevada Water Authority does not use any contract labor.

Recommendation 11 – Target Metropolitan Conservation Programs to Both Disadvantaged Customers and High Water Users

Where possible, Metropolitan should work with Member Agencies to develop and implement conservation programs that target the customers across all regions who can benefit most – i.e., disadvantaged customers and high water users.

Programs targeting these two groups of customers would require significantly different approaches, but both customer groups offer a potential for savings that might not be fully achieved by broad-based water conservation programs.

It may seem obvious, but high water users offer the greatest potential for improved efficiency and savings. Metropolitan should work with Member Agencies to develop data screening to regularly identify the highest water users across all regions. Cooperation between Member Agencies and Metropolitan to manage and share customer level consumption and spatial data would be helpful here. Where possible and practical, programs can be developed to take advantage of common characteristics, such as lot size, geographic location, household occupancy, household income, etc. These programs should be reviewed and updated periodically to address changing conditions and demand patterns.

Economically disadvantaged customers, e.g., customers living in subsidized housing, are the least likely to benefit from Metropolitan program offerings without designated assistance and effort. While these customers may have direct access to rebates via the SoCalWaterSmart.com website or other avenues, they do not have capital to purchase a more expensive device and may not even have permission to replace fixture and appliances in their home.

Metropolitan should work with Member Agencies to develop and implement innovative programs and outreach initiatives that target hard to reach and disadvantaged customers, private land lords, and public housing to ensure demand reductions are achieved by all customer sectors, regardless of financial status.