



August 28, 2017

The Honorable Robert M. Hertzberg
Chairman, Senate Committee on Natural Resources and Water
State Capitol, Room 5046
Sacramento, CA 95814

The Honorable Nancy Skinner
California State Senate
State Capitol, Room 2059
Sacramento, CA 95814

Re: SB 606 (Skinner/Hertzberg) – OPPOSE UNLESS AMENDED

Dear Senator Hertzberg and Senator Skinner,

On behalf of the undersigned organizations, we are writing to inform you of our “Oppose Unless Amended” position on SB 606.

Throughout this year, our organizations have been engaged in the development of legislation to implement the vision of the Governor’s framework for “Making Water Conservation a California Way of Life” and its objectives of establishing new water use targets for urban retail water suppliers and enhancing drought planning, preparation, and reporting requirements. While SB 606 includes several provisions consistent with these objectives, we remain far apart on several fundamental policy issues. The issues identified below as well as other important technical changes must be addressed through amendments, which will be provided in a separate document, or our organizations will oppose the bill:

- SB 606 would grant the State Water Resources Control Board the authority to adopt a variety of enforceable water use standards, including standards for outdoor residential use and commercial, industrial, and institutional water use. Giving state agencies unchecked authority to adopt these standards risks impacts to communities and businesses across California, as only the Legislature can balance competing policy goals and priorities related to water use. SB 606 should be amended to clearly define, in statute, any enforceable standards for efficient urban water use, including standards for outdoor residential water use and an adequate standard for indoor residential use as outlined below.
- SB 606 provides only a limited and temporary credit for potable reuse. This provision does not adequately protect and encourage investments in recycled water and potable reuse. SB 606 should be amended to encourage development of these new types of water supplies, including provisions which provide full credit for potable reuse and a sufficient allocation in any water budget for recycled water used for irrigation.
- SB 606 currently includes a “blank space” for a standard for indoor residential use. Any standard for indoor residential use below 55 gallons per capita per day (“GPCD”) would pose significant challenges for many communities, including those with older construction and disadvantaged

communities that cannot afford to update fixtures and appliances. SB 606 should be amended to include a standard for indoor residential use of no less than 55 GPCD.

- SB 606 includes a one-time requirement for the Department of Water Resources to provide limited elements of the data needed for water suppliers to calculate the required annual water use objective. For urban water suppliers to be able to calculate the water use objective annually, as required by SB 606, suppliers will need regularly updated data. SB 606 should be amended to either remove the annual reporting requirement or ensure that water suppliers will be provided with the resources necessary to calculate accurate water use objectives.
- SB 606 grants state agencies the discretion to decide whether to adopt variances from standards. In a state as diverse as California, calculating retail-level water use efficiency targets using a “one-size fits all” methodology will be challenging for a wide variety of technical, economic and administrative reasons. SB 606 should be amended to require the establishment of variances and implementation processes that account for unique local conditions as well as technical, economic, and administrative feasibility.
- SB 606 grants state agencies expansive new enforcement powers, including the ability to require water suppliers to take punitive enforcement actions on their customers and the authority to deny state grant and loan funds for failure to meet an undefined standard of “compliance.” SB 606’s enforcement provisions should be amended to shift their emphasis away from providing new punitive enforcement authorities to state agencies and toward technical assistance and information-sharing, along with appropriate authorities to ensure that reporting, planning and other requirements are satisfied.

We appreciate your consideration of these key issues. **Legislative language necessary to address these and other issues of concern to water suppliers will be made available to you and your colleagues as soon as possible.**

The operative provisions of existing law in this area—both the “20% by 2020” water use targets and the 2021 updates to urban water management plans—are still years from full implementation. As noted in a previous Committee analysis of this bill, “[w]hile it makes sense to begin working now on whatever comes next, it also makes sense to take the time to make sure the policy and the language is appropriate and does what is intended.” If we cannot come to consensus this year, we urge you to make SB 606 a two-year bill.

We look forward to working with the Legislature to secure a sustainable and resilient water future that protects local authority and includes sensible approaches to improving water use efficiency and enhancing drought planning and preparation.

Sincerely,

Robert Shaver, General Manager
Alameda County Water District

Nicole Sandkulla, CEO/General Manager
Bay Area Water Supply & Conservation Agency

Whitnie Wiley, Senior Legislative Advocate
Association of California Water Agencies

David Coxey, General Manager
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Senate Bill 606 (Skinner/Hertzberg) – August 28, 2017
Position: OPPOSE UNLESS AMENDED

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The Honorable Stanley Cleveland Jr., Mayor
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Senate Bill 606 (Skinner/Hertzberg) – August 28, 2017

Position: OPPOSE UNLESS AMENDED

Tom Coleman, General Manager
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cc: The Honorable Robert M. Hertzberg, Chairman, Senate Committee on Natural Resources and Water
The Honorable Nancy Skinner, Member, California State Senate
The Honorable Members, Senate Committee on Natural Resources and Water
The Honorable Eduardo Garcia, Chairman, Assembly Committee on Water, Parks and Wildlife
The Honorable Members, Assembly Water Conservation Working Group
Mr. Dennis O'Connor, Principal Consultant, Senate Natural Resources and Water Committee
Ms. Catherine Freeman, Chief Consultant, Assembly Committee on Water, Parks, and Wildlife
Mr. Ryan Ojakian, Senior Consultant, Assembly Committee on Water, Parks, and Wildlife
Mr. Michael Bedard, Chief of Staff, Office of Senator Robert Hertzberg
Mr. Jim Metropulos, Legislative Director, Office of Assemblymember Laura Friedman
Mr. Todd Moffitt, Consultant, Senate Republican Caucus
Mr. Robert Spiegel, Consultant, Assembly Republican Caucus