



August 28, 2017

The Honorable Laura Friedman
California State Assembly
State Capitol, Room 2137
Sacramento, CA 95814

Re: AB 1668 (Friedman) – OPPOSE UNLESS AMENDED

Dear Assemblymember Friedman,

On behalf of the undersigned organizations, we are writing to inform you of our “Oppose Unless Amended” position on AB 1668.

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 AB 1668 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:

- AB 1668 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. AB 1668 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.
- AB 1668 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. AB 1668 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.
- AB 1668 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. AB 1668 should be amended to include a standard for indoor residential use of no less than 55 GPCD.
- AB 1668 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 AB 1668, suppliers will need regularly updated data. AB 1668 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.

- AB 1668 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. AB 1668 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.
- AB 1668 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.” AB 1668’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 AB 1668 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

Dave Eggerton, General Manager
Calaveras County Water District

Whitnie Wiley, Senior Legislative Advocate
Association of California Water Agencies

Paul Kelley, Executive Director
CalDesal

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

Barry J. Moline, Executive Director
California Municipal Utilities Association

David Coxey, General Manager
Bella Vista Water District

Rylan Gervase, Legislative Representative
California Special Districts Association

Jack Hawks, Executive Director
California Water Association

Susan Mulligan, General Manager
Calleguas Municipal Water District

Hilary Straus, General Manager
Citrus Heights Water District

Felix Riesenberg, Asst. Public Works Director
City of Fairfield

Tina White, City Manager
City of Poway

The Honorable Stanley Cleveland Jr., Mayor
City of Yuba City

Martin E. Zvirbulis, General Manager/CEO
Cucamonga Valley Water District

Mark Krause, General Manager
Desert Water Agency

Dan McIntyre, General Manager
Dublin San Ramon Services District

Paul D. Jones II, P.E., General Manager
Eastern Municipal Water District

Jim Abercrombie, General Manager
El Dorado Irrigation District

Mark J. Madison, General Manager
Elk Grove Water District

John D. Vega General Manager
Elsinore Valley Municipal Water District

John Friedenbach, General Manager
Humboldt Bay Municipal Water District

Paul Cook, General Manager
Irvine Ranch Water District

Renae Hinchey, General Manager
Laguna Beach County Water District

Paul E. Shoenberger, P.E., General Manager
Mesa Water District

John Kingsbury, Executive Director
Mountain Counties Water Resources Assoc.

Kimberly A. Thorner, General Manager
Olivenhain Municipal Water District

Michael R. Markus, P.E., General Manager
Orange County Water District

Mark Watton, General Manager
Otay Water District

Allen Carlisle, CEO/General Manager
Padre Dam Municipal Water District

Einar Maisch, General Manager
Placer County Water Agency

Brian Crane, Director, Public Works Department
City of Redding

John Woodling, Executive Director
Regional Water Authority

Greg Thomas, General Manager
Rincon Del Diablo Municipal Water District

Tom Coleman, General Manager
Rowland Water District

Mary-Ann Warmerdam, Legislative Advocate
Rural County Representatives of California

Robert Roscoe, P.E., General Manager
Sacramento Suburban Water District

Glenn Farrel, Government Relations Manager
San Diego County Water Authority

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Harlan L. Kelly, Jr. General Manager
San Francisco Public Utilities Commission

Richard W. Hansen, P.E., General Manager
Three Valleys Municipal Water District

Paul Helliker, General Manager
San Juan Water District

Thomas J. Haglund, General Manager
Tuolumne Utilities District

Dan Ferons, General Manager
Santa Margarita Water District

Gary T. Arant, General Manager
Valley Center Municipal Water District

John Rossi, General Manager
Western Municipal Water District

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