



# AGENDA ITEM

## Public Utilities Commission

*City and County of San Francisco*



DEPARTMENT Water Enterprise AGENDA NO. 11  
 MEETING DATE June 28, 2016

**Adopt:** Changes to 2015-2016 Drought Program  
**Project Manager:** Paula Kehoe

**Public Hearing: Discussion and Possible Action to Adopt Changes to 2015-2016 Drought Program to Ease Mandatory Reductions on Outdoor Irrigation**

<b>Summary of Proposed Commission Action:</b>	<p><b>Public hearing, discussion, and possible action to adopt</b> changes to the 2015-2016 Drought Program to ease mandatory reductions on outdoor irrigation with potable water. The Drought Program would continue the call for a 10% reduction in water use by all customers, but proposed changes would: (1) cease the current 25% mandatory reduction in water use by dedicated irrigation customers and corresponding excess use charges; (2) reduce the current mandatory reduction in water use by Interruptible Water Service customers from 30% to 10%, subject to excess use charges; and (3) revert reduced wastewater flow factors that had been adjusted to reflect a 25% reduction in irrigation usage back to their pre-adjusted reduced values.</p> <p>A companion agenda item that will be heard on June 28, 2016 addresses changes to water waste restrictions.</p>
<b>Background:</b>	<p>The regulatory background and impetus for the proposed changes to the 2015-2016 Drought Program were briefly described in a memorandum to the Commission dated May 18, 2016, and are expanded in more detail below.</p> <p><b><u>2014 and 2015 Regulations</u></b></p> <p>In 2014 and 2015, the State Water Resources Control Board (State Water Board) adopted a series of emergency regulations in response to Executive Orders issued by Governor Brown targeting reductions in urban water conservation. To implement the statewide mandates locally, SFPUC adopted the following resolutions applicable to the retail service area:</p> <ul style="list-style-type: none"> <li>• Resolution 14-0121 on August 12, 2014 to impose mandatory restrictions on outdoor irrigation by reducing all outdoor irrigation of ornamental landscapes or turf with potable water by retail customers by at least 10%;</li> </ul>

**APPROVAL:** \_\_\_\_\_

COMMISSION SECRETARY Donna Hood

- Resolution 14-0140 on August 26, 2014 to adopt regulations and restrictions for excess use charges for retail potable water irrigation customers.
- Resolution 15-0102 on April 28, 2015, to impose two additional water use restrictions consistent with the State Water Board’s emergency regulations;
- Resolution 15-0119 on May 26, 2015, to adopt the 2015-2016 Drought Program, which included:
  - An increase in the mandatory reduction on outdoor irrigation of ornamental landscapes or turf with potable water by retail customers from 10% to 25%;
  - Amendments to the regulations and restrictions for excess use charges consistent with a mandatory 25% reduction on outdoor irrigation;
  - Amendments to the rules for residential flow factor appeal and proposed rules for non-residential flow factors, thereby authorizing the General Manager to adjust existing reduced wastewater flow factors;
  - A prohibition on the irrigation with potable water of ornamental turf on public street medians;
- Resolution 15-0149 on June 23, 2015, to amend rules and regulations for Interruptible Water Service requiring a mandatory 30% reduction subject to excess use charges of 300% (“3x”) as part of the 2015-2016 Drought Program; and
- Resolution 15-0221 on October 27, 2015, to amend the Water Efficient Irrigation Ordinance and Section F of the Rules and Regulations Governing Water Service to Customers.

**2016 Regulations**

On May 9, 2016, Governor Brown issued [Executive Order B-37-16](#), which included directives to the State Water Board to, among others, adjust emergency water conservation regulations through the end of January 2017 in recognition of the differing water supply conditions across the state. As a result, on May 18, 2016, the State Water Board adopted extended emergency regulations, [Resolution 2016-0029](#) (attached), which carries out the Executive Order directive described above.

The Executive Order also directs the State Water Board to permanently prohibit practices that waste potable water. While the State Water Board has yet to take action to make the prohibitions permanent, SFPUC staff propose to update and make local prohibitions permanent in a companion agenda item that will be heard on June 28, 2016.

The latest iteration of the emergency regulations adopted by the State Water Board requires each urban water supplier by June 22, 2016 to

	<p>self-certify its potable water supply reliability and corresponding conservation standard assuming three additional dry years. This locally-developed conservation standard replaces the existing state-developed conservation standard (8% for SFPUC) beginning June 1, 2016, and will remain in effect until January 31, 2017. Following the self-certification procedures outlined in the State Water Board emergency regulations, SFPUC staff has determined that potable water supplies would be sufficient to meet both retail and wholesale demands over the next three years, and the new conservation standard for the SFPUC retail system will be 0%, rather than the current 8% conservation standard.</p> <p>Despite this new locally-developed conservation standard of 0%, the SFPUC will continue to promote and encourage conservation in line with the state mandates. Specifically, the SFPUC intends to maintain its call for a voluntary 10% system-wide reduction in water use over the 2013 baseline in light of the proposed State Water Board emergency regulations and the fact that the Hetch Hetchy Regional Water System is still recovering from the drought. System storage will not fill this year and next year's hydrology is uncertain. However, in recognition of recent improved hydrologic conditions and the reduced conservation standard, SFPUC staff proposes to ease mandatory reductions on outdoor irrigation with potable water that are currently implemented under the 2015-2016 Drought Program.</p> <p>Notice of the public hearing on the proposed changes to the 2015-2016 Drought Program was published in the official newspaper on June 13 through 17, 2016.</p>
<p><b>Description of Action:</b></p>	<p>The Retail Water Shortage Allocation Plan was adopted by the SFPUC on December 11, 2001 to provide the SFPUC with a guidance tool to be used for allocating water among SFPUC retail customers in the event of a water shortage due to drought. On January 31, 2014, the SFPUC asked all SFPUC customers to voluntarily curtail water consumption by at least 10%. On August 12, 2014, the SFPUC strengthened this level of curtailment by imposing a mandatory 10% reduction on outdoor irrigation with potable water effective October 2014. To implement the 2015-2016 Drought Program adopted on May 26, 2015, the SFPUC then increased the mandatory reduction on outdoor irrigation with potable water from 10% to 25% effective July 2015, while maintaining the call for a 10% retail system-wide reduction.</p> <p>In recognition of recent improved hydrologic conditions and the reduced conservation standard required by the State Water Board, the SFPUC intends to maintain the call for a 10% retail system-wide reduction, but also proposes to cease the 25% mandatory reduction on outdoor irrigation with potable water that is currently implemented under the 2015-2016 Drought Program. The resulting program would be consistent with Stage 1 of the Retail Water Shortage Allocation Plan. SFPUC staff propose that the following actions be taken by the</p>

	<p>Commission:</p> <ol style="list-style-type: none"> <li>(1) Authorize the General Manager to cease the current 25% mandatory reduction in outdoor irrigation water use, thereby also ceasing the administration of water use allocations and corresponding excess use charges for dedicated irrigation customers per the regulations and restrictions for excess use charges (attached);</li> <li>(2) Authorize the General Manager to reduce the current mandatory reduction in water use by Interruptible Water Service customers from 30% to 10%, subject to excess use charges reduced from 300% (“3x”) to 200% (“2x”) per the rules and regulations for Interruptible Water Service (attached); and</li> <li>(3) Authorize the General Manager to revert reduced residential and non-residential wastewater flow factors that had been adjusted to reflect a mandatory 25% reduction in outdoor irrigation use per the rules for flow factor appeals (attached), back to their pre-adjusted reduced values.</li> </ol>
<b>Result of Inaction:</b>	A delay in adopting this Action will hinder the SFPUC’s ability to effectively manage water supplies and comply with the State Water Board’s urban water conservation emergency regulations.
<b>Schedule:</b>	Changes to the 2015-2016 Drought Program to take effect July 1, 2016. Changes will be reflected in water and sewer bills of affected accounts as early as August 2016. The effective period of the changes may end when the water shortage emergency is lifted or is determined to be more severe by the General Manager.
<b>Environmental Review:</b>	The Bureau of Environmental Management has determined enactment of the proposed emergency restrictions is exempt from environmental review under California Environmental Quality Act (CEQA) Guidelines Sections 15269 (Emergency Projects) and 15308 (Actions by Regulatory Agencies for Protection of the Environment).
<b>Recommendation:</b>	SFPUC staff recommends that the Commission adopt the attached resolution.
<b>Attachments:</b>	<ol style="list-style-type: none"> <li>1. State Water Resources Control Board Emergency Regulations, Resolution 2016-0029</li> <li>2. Excess Use Charges for Retail Potable Water Customers Regulations and Restrictions, Amended May 2015</li> <li>3. Rules and Regulations for the Administration of Interruptible Water Services, Amended June 2015</li> <li>4. Rules Providing for Appeals of the Department’s</li> </ol>

**Adopt:** Changes to 2015-2016 Drought Program  
**Commission Meeting Date:** June 28, 2016

	Determination of Wastewater Volume for Purposes of Assessing Sewer Service Charges, Amended May 2015
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# **PUBLIC UTILITIES COMMISSION**

City and County of San Francisco

RESOLUTION NO. \_\_\_\_\_

WHEREAS, On January 17, 2014, due to unprecedented dry conditions throughout the State of California, Governor Jerry Brown declared a drought State of Emergency (Proclamation 1-17-2014); and

WHEREAS, On January 31, 2014, the San Francisco Public Utilities Commission (SFPUC) asked all SFPUC customers to voluntarily curtail water consumption by at least 10%; and

WHEREAS, Throughout 2014 and 2015, the State Water Resources Control Board (State Water Board) adopted a series of statewide emergency regulations in response to Executive Orders issued by Governor Jerry Brown targeting reduction in urban water conservation; and

WHEREAS, In response to the emergency regulations adopted by the State Water Board throughout 2014 and 2015, the SFPUC adopted numerous resolutions to implement the statewide mandates locally, including amendments to rules and regulations supporting implementation of the 2015-2016 Drought Program; and

WHEREAS, Under its current 2015-2016 Drought Program as amended on June 23, 2015 (Resolution 15-0149), the SFPUC imposes a mandatory reduction on all outdoor irrigation of ornamental landscapes or turf with potable water by retail customers by at least 25%, effective July 1, 2015; and

WHEREAS, The SFPUC currently administers water use allocations and excess use charges corresponding to a mandatory 25% reduction in water use by irrigation customers, subject to excess use charges at 100% (“1x”) of the applicable water rate ; and

WHEREAS, The SFPUC currently administers water use allocations corresponding to a mandatory 30% reduction in water use by irrigation customers receiving Interruptible Water Service, subject to excess use charges at 300% (“3x”) of the applicable water rate; and

WHEREAS, For wastewater flow factors that had been reduced prior to implementation of the 2015-2016 Drought Program, the SFPUC adjusted the reduced flow factors to be consistent with a mandatory 25% reduction in outdoor irrigation water use; and

WHEREAS, On May 9, 2016, in response to the fifth year of drought, California Governor Jerry Brown issued Executive Order B-37-18 that directs the State Water Board to make conservation a way of life; and

WHEREAS, On May 18, 2016, in State Water Board adopted extended emergency regulations, Resolution 2016-0029, to adjust water conservation regulations through the end of January 2017 in recognition of differing water supply conditions across the state; and

WHEREAS, Under the extended emergency regulations adopted by the State Water Board on May 18, 2016, the water conservation standard for the SFPUC retail system is 0%, effective June 1, 2016, rather than the previous 8% conservation standard; and

WHEREAS, The Retail Water Shortage Allocation Plan was adopted by the SFPUC on December 11, 2001 to provide the SFPUC with a guidance tool to be used for allocating water among SFPUC retail customers in the event of a water shortage due to drought; and

WHEREAS, The SFPUC caused a notice of public hearing on proposed changes to the 2015-2016 Drought Program, to be published in the official newspaper on June 13 through 17, 2016; and

WHEREAS, The Bureau of Environmental Management has determined enactment of the proposed emergency restrictions is exempt from environmental review under California Environmental Quality Act (CEQA) Guidelines Sections 15269 (Emergency Projects) and 15308 (Actions by Regulatory Agencies for Protection of the Environment); now, therefore, be it

RESOLVED, That the SFPUC will continue to call for a voluntary 10% reduction in water use by all customers system-wide; and be it

FURTHER RESOLVED, That this Commission hereby authorizes the General Manager of the SFPUC to cease the mandatory reduction on all outdoor irrigation of ornamental landscapes or turf with potable water by retail customers, effective July 1, 2016 and until the water shortage emergency is determined to be more severe by the General Manager; and be it

FURTHER RESOLVED, That this Commission hereby authorizes the General Manager to reduce the mandatory reduction in water use by irrigation customers receiving Interruptible Water Service from 30% to 10%, subject to excess use charges reduced from 300% (“3x”) to 200% (“2x”) of the applicable water rate, effective July 1, 2016 and until the water shortage emergency is determined to be less or more severe by the General Manager; and be it

FURTHER RESOLVED, That this Commission hereby authorizes the General Manager to revert reduced residential and non-residential wastewater flow factors that had been adjusted to reflect a mandatory 25% reduction in outdoor irrigation use back to pre-adjusted, reduced values, effective July 1, 2016 and until the water shortage emergency is determined to be more severe by the General Manager.

*I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of June 28, 2016.*

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*Secretary, Public Utilities Commission*

**STATE WATER RESOURCES CONTROL BOARD  
RESOLUTION NO. 2016-0029**

TO ADOPT AN EMERGENCY REGULATION FOR  
STATEWIDE URBAN WATER CONSERVATION

WHEREAS:

1. On April 25, 2014, Governor Edmund G. Brown Jr. issued an executive order ([April 2014 Proclamation](#)) to strengthen the State's ability to manage water and habitat effectively in drought conditions, and called on all Californians to redouble their efforts to conserve water. The April 2014 Proclamation finds that the continuous severe drought conditions present urgent challenges across the State, including water shortages in communities and for agricultural production, increased wildfires, degraded habitat for fish and wildlife, threat of saltwater contamination, and additional water scarcity, if drought conditions continue into 2015. It orders that any provision of the governing document, architectural or landscaping guidelines, or policies of a common interest development will be void and unenforceable to the extent it has the effect of prohibiting compliance with the water-saving measures contained in this directive, or any conservation measure adopted by a public agency or private water company. The April 2014 Proclamation also suspends the environmental review required by the California Environmental Quality Act to allow the emergency regulation and other actions to take place as quickly as possible;
2. The April 2014 Proclamation references the [Governor's January 17, 2014 declaration of a drought State of Emergency in California due to severe drought conditions \(Proclamation No. 1-17-2014\)](#), January 2014 Proclamation). The January 2014 Proclamation finds that dry conditions and lack of precipitation present urgent problems to drinking water supplies and cultivation of crops, which put farmers' long-term investments at risk. The conditions also threaten the survival of animals and plants that rely on California's rivers, including many species in danger of extinction. The January 2014 Proclamation also calls on all Californians to reduce their water usage by 20 percent;
3. On December 22, 2014, in light of the continued lack of rain, Governor Brown issued [Executive Order B-28-14](#), which extends the California Environmental Quality Act suspension through May 31, 2016 for Water Code section 13247 and certain activities identified in the January 2014 and April 2014 proclamations;
4. On April 1, 2015, Governor Brown issued [Executive Order B-29-15](#) that directs the State Water Board to impose restrictions on urban water suppliers to achieve a statewide 25 percent reduction in potable urban usage through February 2016; require commercial, industrial, and institutional users to implement water efficiency measures; prohibit irrigation with potable water of ornamental turf in public street medians; and prohibit irrigation with potable water outside newly constructed homes and buildings that is not delivered by drip or microspray systems; along with other directives;

5. On May 5, 2015, the State Water Resources Control Board (State Water Board) adopted [Board Resolution No. 2015-0032](#) and an Emergency Regulation to address specific provisions of Executive Order B-29-2015 that included a mandatory 25 percent statewide reduction in potable urban water use between June 2015 and February 2016. To implement the Executive Order, the Emergency Regulation placed each urban water supplier in a conservation tier, ranging between 8 and 36 percent, based residential per capita water use for the months of July – September 2014. Resolution No. 2015-0032 also directed staff to work with stakeholders to further develop and consider a range of factors that contribute to water use, including but not limited to climate, growth, investment in local, drought resilient supplies, and others for adjustment to the current emergency regulation should it need to be extended into 2016;
6. On November 13, 2015, Governor Brown issued [Executive Order B-36-15](#) calling for an extension of urban water use restrictions until October 31, 2016, should drought conditions persist through January 2016. This Executive Order also directs the State Water Board to consider modifying the restrictions to incorporate insights gained from the existing restrictions;
7. On February 2, 2016, the State Water Board adopted [Board Resolution No. 2016-0007](#) and a revised, extended Emergency Regulation to address specific provisions of Executive Order B-36-15. The Emergency Regulation established adjustments to reduce the conservation standards of urban water suppliers in consideration of the differences in climate affecting different parts of the state, growth experienced by urban areas, and significant investments that have been made by some suppliers towards creating new, local, drought-resilient sources of potable water supply;
8. On May 9, 2016, Governor Brown issued [Executive Order B-37-16](#) calling on the State Water Board to adjust emergency water conservation regulations through the end of January 2017 in recognition of differing water supply conditions across the state;
9. Statewide precipitation in 2016 has been variable. Northern California received above-average rainfall, while much of southern California continued to experience below-average rainfall and warm temperatures. February 2016 was amongst the warmest and driest recorded for parts of southern California. Consequently, while major Northern California water reservoirs are near or above average water storage for this time of year, many Southern California reservoirs are significantly below average. In addition, the snowpack is melting fast and as of early May is at less than 50 percent of the average for this time of year;
10. Water Code section 1058.5 grants the State Water Board the authority to adopt emergency regulations in certain drought years in order to: “prevent the waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion, of water, to promote water recycling or water conservation, to require curtailment of diversions when water is not available under the diverter’s priority of right, or in furtherance of any of the foregoing, to require reporting of diversion or use or the preparation of monitoring reports”;
11. On July 15, 2014, the State Water Board adopted an emergency regulation to support water conservation ([Resolution No. 2014-0038](#)). That regulation became effective July 28, 2014 upon approval by the Office of Administrative Law (OAL);

12. On March 17, 2015, the State Water Board amended and readopted the emergency regulation to support water conservation ([Resolution No. 2015-0013](#)), which became effective March 27, 2015 upon approval by OAL;
13. On May 5, 2015, the State Water Board significantly amended, and readopted, the emergency regulation to support water conservation ([Resolution No. 2015-0032](#)), which became effective May 18, 2015 upon approval by OAL and expires February 13, 2016;
14. On February 2, 2016, the State Water Board amended and readopted the emergency regulation to support water conservation ([Resolution No. 2016-0007](#)), which became effective February 11, 2016 upon approval by OAL and expires November 7, 2016;
15. In many areas, 50 percent or more of daily water use is for lawns and outdoor landscaping. Outdoor water use is generally discretionary, and many irrigated landscapes will survive while receiving a decreased amount of water;
16. Although urban water suppliers have placed restrictions on outdoor watering, the State Water Board continues to receive reports of excessive outdoor water use;
17. Water conservation is the easiest, most efficient, and most cost-effective way to quickly reduce water demand and to extend supplies into the next year. Water saved this summer is water available later in the season or next year, reducing the likelihood of even more severe water shortages should the drought continue. Extending current water supplies offers communities flexibility in managing their water portfolios and drought response options should the drought continue into the next water year;
18. Education and enforcement against water waste is a key tool in conservation programs. When conservation becomes a social norm in a community, the need for enforcement is reduced or eliminated;
19. Public information and awareness is critical to achieving conservation goals, and the Save Our Water campaign, run jointly by the Department of Water Resources (DWR) and the Association of California Water Agencies, is an excellent resource for conservation information and messaging that is integral to effective drought response (<http://saveourwater.com>);
20. Many California communities are facing continued social and economic hardship due to the ongoing drought. The rest of us can make adjustments to our water use, including landscape choices that conserve even more water;
21. The California Constitution declares, at article X, section 2, that the water resources of the state must be put to beneficial use in a manner that is reasonable and not wasteful. Relevant to the current drought conditions, the California Supreme Court has clarified that “what may be a reasonable beneficial use, where water is present in excess of all needs, would not be a reasonable beneficial use in an area of great scarcity and great need. What is a beneficial use at one time may, because of changed conditions, become a waste of water at a later time.” (*Tulare Dist. v. Lindsay Strathmore Dist.* (1935) 3 Cal.2d 489, 567.) In support of water conservation, the legislature has, through Water Code section 1011, deemed reductions in water use due to conservation as equivalent to reasonable beneficial use of that water. Accordingly, this regulation is in furtherance of article X, section 2 during this drought emergency. This temporary emergency

regulation is not to be used in any future administrative or judicial proceedings as evidence or finding of waste and unreasonable use of any individual water user or water supplier subject to this regulation, and are not to affect or otherwise limit any rights to water conserved under applicable law, including without limitation, water conserved consistent with Water Code section 1011;

22. Under the May 5, 2015 emergency regulation, as revised February 2, 2016, urban water suppliers, large and small, have reduced statewide potable water usage more than 23.9 percent compared to usage during the same months in 2013, through the significant efforts of the suppliers and their customers;
23. The State Water Board estimates that suppliers and their customers will save between 0.46 and 0.97 million acre-feet of water in response to the extended regulation from June 2016 through January 2017. This savings will be in addition to the 1.55 million acre-feet the State is on track to have saved from June 2015 through May 2016 compared to usage during the same months in 2013;
24. Directive one of the Governor's May 9, 2016 Executive Order Directs the State Water Board to adjust emergency water conservation regulations through the end of January 2017 in recognition of differing water supply conditions across the state;
25. On April 20, 2016 the State Water Board held a workshop to receive input on the potential modification of the current Drought Emergency Water Conservation regulation. The State Water Board solicited public comments on the proposed framework and received over 130 comments, primarily relating to the improved 2016 water year conditions, whether conservation regulations were necessary, the need to transition to a supply-based conservation regulation, and the ability of urban water suppliers to manage their own water supply options;
26. On May 9, 2016 the State Water Board issued staff-proposed regulatory language for public comment based in part on the April 20, 2016 workshop and comments received, and in part on Executive Order B-37-16. The staff proposal reflects careful consideration by the Board and staff of all comments including those directed at the levels of required reduction and the basis upon which water use reductions should be required. The draft regulatory language extends portions of the February 2016 emergency regulation and establishes a process for developing locally appropriate water conservation standards in recognition of differing water supply conditions across the state;
27. On May 13, 2016, the State Water Board initiated the formal emergency rulemaking process by issuing public notice that it would consider the adoption of the emergency regulation at the Board's regularly-scheduled May 18, 2016 public meeting, in accordance with applicable State laws and regulations. The State Water Board also distributed for public review and comment a Finding of Emergency that complies with State laws and regulations;
28. As discussed above, the State Water Board is adopting the revised emergency regulation as directed by the Governor in Executive Order B-37-16 based on the ongoing need to prevent the waste and unreasonable use of water and to promote conservation during the ongoing drought emergency; and

29. Nothing in the regulation or in the enforcement provisions of the regulation precludes a local agency from exercising its authority to adopt more stringent conservation measures. Moreover, the Water Code does not impose a mandatory penalty for violations of the regulation adopted by this resolution, and local agencies retain the enforcement discretion in enforcing the regulation to the extent authorized. Local agencies are encouraged to develop their own progressive enforcement practices to promote conservation.

THEREFORE BE IT RESOLVED THAT:

1. The State Water Board adopts California Code of Regulations, title 23, section 864.5 and amends and re-adopts sections 863, 864, 865, and 866 as appended to this resolution as an emergency regulation;
2. State Water Board staff will submit the regulation to OAL for final approval;
3. If, during the approval process, State Water Board staff, the State Water Board, or OAL determines that minor corrections to the language of the regulation or supporting documentation are needed for clarity or consistency, the State Water Board Executive Director or the Executive Director's designee may make such changes;
4. This regulation shall remain in effect for 270 days after filing with the Secretary of State unless the State Water Board determines that it is no longer necessary due to changed conditions, or unless the State Water Board renews the regulation due to continued drought conditions as described in Water Code section 1058.5;
5. The State Water Board directs staff to provide the Board with monthly updates on the implementation of the emergency regulation and its effect.
6. The State Water Board directs staff to condition funding upon compliance with the emergency regulation, to the extent feasible;
7. The State Water Board directs staff to work with DWR and the Save Our Water campaign to disseminate information regarding the emergency regulation; and
8. The State Water Board directs staff to update the electronic reporting portal to include data fields for reporting required by the emergency regulation.

THEREFORE BE IT FURTHER RESOLVED THAT:

10. The State Water Board shall work with DWR, the Public Utilities Commission, and other agencies to support urban water suppliers' actions to implement rates and pricing structures to incent additional conservation, as required by directive eight in the Governor's April 1, 2015 Executive Order. The Fourth District Court of Appeal's recent Decision in *Capistrano Taxpayer Association Inc. v. City of San Juan Capistrano* (G048969) does not foreclose the use of conservation-oriented rate structures;

11. The State Water Board calls upon water suppliers to:
  - a. ensure that adequate personnel and financial resources exist to implement conservation requirements not only for 2016, but also for another year of drought should it occur. Water suppliers that face budget shortfalls due to reduced sales should take immediate steps to raise necessary revenues in a way that actively promotes continued conservation;
  - b. expedite implementation of new conservation programs by minimizing internal review periods and utilizing emergency authorities, as appropriate;
  - c. consider the relative water use and conservation practices of their customers and target those with higher water use to achieve proportionally greater reductions than those with low use;
  - d. minimize financial impacts to low-income customers;
  - e. preserve safe indoor water supplies in areas with very low R-GPCD and where necessary to protect public health and safety;
  - f. promote low-water use methods of preserving appropriate defensible space in fire-prone areas, consistent with local fire district requirements;
  - g. educate customers on the preservation of trees;
  - h. promote on-site reuse of water; and
  - i. promptly notify staff of the supplier's need for an alternate method of compliance pursuant to resolved paragraph 20 for any supplier that retains a conservation standard pursuant to section 865 of the emergency regulation.
12. The State Water Board calls upon all businesses within California's travel and tourism sectors to inform visitors of California's drought situation and actions visitors should take to conserve water;
13. The State Water Board calls upon all homeowners' associations to support and cooperate with water suppliers' and their residents' efforts to conserve water in community apartment projects, condominium projects, planned developments, and stock cooperatives statewide;
14. The State Water Board calls upon both landlords and tenants of residential and commercial properties to cooperate in taking actions that conserve potable water consistent with the emergency regulation and any applicable rules identified by the appropriate urban water supplier;
15. The State Water Board commends wholesale water agencies that have set aggressive conservation targets for their retail water suppliers;
16. The State Water Board commends water suppliers that have made investments to boost drought-resistant supplies, such as advanced treated recycled water and desalination. Those investments help to make communities more resilient in the face of drought;

17. The State Water Board commends the many water suppliers that have taken steps and made systemic changes that have led to them surpassing their 20x2020 conservation targets. Long-term conservation efforts are critical to maintaining economic and social well-being, especially in light of the impacts of climate change on California's hydrology;
18. The State Water Board commends the many water suppliers that have met or exceeded their conservation standards under the May 2015 emergency regulation and the February 2016 amended and extended emergency regulation. Those local efforts have helped the state achieve a statewide 23.9 percent potable water savings from June 2015 through March 2016 and have shown what dedicated Californians can achieve as we make water conservation a California way of life;
19. During this drought emergency, heightened conservation that extends urban resilience is necessary. The State Water Board's focus is primarily on immediate reductions in outdoor water use. Some short-term conservation efforts, such as landscape conversions and installation of efficient appliances, will also support long-term conservation objectives, and are encouraged wherever possible; and
20. The State Water Board recognizes that some commercial and industrial customers, while accounting for a significant portion of total use in a service area, have already taken steps to significantly reduce their water consumption and cannot further reduce their use without substantial impacts. However, the Board also recognizes that in many areas there are significant opportunities for reductions in water use by industries and commercial enterprises that have yet to take action, especially those with large areas of non-functional turf. The Board directs staff to respond promptly upon receipt of any request for alternate enforceable methods of compliance for suppliers that retain a conservation standard pursuant to section 865 of the emergency regulation. If the supplier believes the conservation standard is unachievable due to firm commercial and industrial water use and residential use reductions that would affect public health and safety, it should provide any supporting information or documentation for an alternate method of compliance or should use the new water supply reliability self-certification method provided for in section 864.5.

### CERTIFICATION

The undersigned Clerk to the Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on May 18, 2016.

AYE:           Chair Felicia Marcus  
                   Vice Chair Frances Spivy-Weber  
                   Board Member Steven Moore  
                   Board Member Dorene D'Adamo  
  
 NAY:           None  
 ABSENT:       None  
 ABSTAIN:      Board Member Tam M. Doduc

  


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 Jeanine Townsend  
 Clerk to the Board

# ADOPTED TEXT OF EMERGENCY REGULATION

## Article 22.5. Drought Emergency Water Conservation.

### Sec. 863. Findings of Drought Emergency.

(a) The State Water Resources Control Board finds as follows:

(1) On January 17, 2014, the Governor issued a proclamation of a state of emergency under the California Emergency Services Act based on drought conditions;

(2) On April 25, 2014, the Governor issued a proclamation of a continued state of emergency under the California Emergency Services Act based on continued drought conditions;

(3) On April 1, 2015, the Governor issued an Executive Order that, in part, directs the State Board to impose restrictions on water suppliers to achieve a statewide 25 percent reduction in potable urban usage through February, 2016; require commercial, industrial, and institutional users to implement water efficiency measures; prohibit irrigation with potable water of ornamental turf in public street medians; and prohibit irrigation with potable water outside newly constructed homes and buildings that is not delivered by drip or microspray systems;

(4) On November 13, 2015, the Governor issued an Executive Order that directs the State Board to, if drought conditions persist through January 2016, extend until October 31, 2016 restrictions to achieve a statewide reduction in potable usage;

(5) On May 9, 2016, the Governor issued an Executive Order that directs the State Board to adjust and extend its emergency water conservation regulations through the end of January 2017 in recognition of the differing water supply conditions for many communities;

~~(5)~~ The drought conditions that formed the basis of the Governor's emergency proclamations continue to exist; and

~~(6)~~ The drought conditions will likely continue for the foreseeable future and additional action by both the State Water Resources Control Board and local water suppliers will likely be necessary to prevent waste and unreasonable use of water and to further promote conservation.

Authority: Section 1058.5, Water Code.

References: Article X, Section 2, California Constitution; Sections 102, 104, 105, and 275, Water Code; *Light v. State Water Resources Control Board* (2014) 226 Cal.App.4th 1463.

### Sec. 864. End-User Requirements in Promotion of Water Conservation.

(a) To prevent the waste and unreasonable use of water and to promote water conservation, each of the following actions is prohibited, except where necessary to address an immediate health and safety need or to comply with a term or condition in a permit issued by a state or federal agency:

(1) The application of potable water to outdoor landscapes in a manner that causes runoff such that water flows onto adjacent property, non-irrigated areas, private and public walkways, roadways, parking lots, or structures;

(2) The use of a hose that dispenses potable water to wash a motor vehicle, except where the hose is fitted with a shut-off nozzle or device attached to it that causes it to cease dispensing water immediately when not in use;

(3) The application of potable water to driveways and sidewalks;

(4) The use of potable water in a fountain or other decorative water feature, except where the water is part of a recirculating system;

(5) The application of potable water to outdoor landscapes during and within 48 hours after measurable rainfall;

(6) The serving of drinking water other than upon request in eating or drinking establishments, including but not limited to restaurants, hotels, cafes, cafeterias, bars, or other public places where food or drink are served and/or purchased;

(7) The irrigation with potable water of ornamental turf on public street medians; and

(8) The irrigation with potable water of landscapes outside of newly constructed homes and buildings in a manner inconsistent with regulations or other requirements established by the California Building Standards Commission and the Department of Housing and Community Development.

(b) To promote water conservation, operators of hotels and motels shall provide guests with the option of choosing not to have towels and linens laundered daily. The hotel or motel shall prominently display notice of this option in each guestroom using clear and easily understood language.

(c) ~~Immediately upon~~ Upon this subdivision taking effect, all commercial, industrial and institutional properties that use a water supply, any portion of which is from a source other than a water supplier subject to section 864.5 or 865 of this article, shall either:

(1) Limit outdoor irrigation of ornamental landscapes or turf with potable water to no more than two days per week; or

(2) Target potable water use reductions commensurate with those required of the nearest urban water supplier under section 864.5 or, if applicable, section 865. Where this option is chosen, these properties shall implement the reductions on or before July 1, 2016.

~~(2) Reduce potable water usage supplied by sources other than a water supplier by 25 percent for the months of June 2015 through October 2016 as compared to the amount used from those sources for the same months in 2013.~~

(d) The taking of any action prohibited in subdivision (a) or (e), or the failure to take any action required in subdivision (b) or (c), is an infraction punishable by a fine of up to five hundred dollars (\$500) for each day in which the violation occurs. The fine for the infraction is in addition to, and does not supersede or limit, any other remedies, civil or criminal.

(e)(1) To prevent the waste and unreasonable use of water and to promote water conservation, any homeowners' association or community service organization or similar entity is prohibited from:

(A) Taking or threatening to take any action to enforce any provision of the governing documents or architectural or landscaping guidelines or policies of a common interest development where that provision is void or unenforceable under section 4735, subdivision (a) of the Civil Code; or

(B) Imposing or threatening to impose a fine, assessment, or other monetary penalty against any owner of a separate interest for reducing or eliminating the watering of vegetation or lawns during a declared drought emergency, as described in section 4735, subdivision (c) of the Civil Code.

(2) As used in this subdivision:

(A) "Architectural or landscaping guidelines or policies" includes any formal or informal rules other than the governing documents of a common interest development.

(B) "Homeowners' association" means an "association" as defined in section 4080 of the Civil Code.

(C) "Common interest development" has the same meaning as in section 4100 of the Civil Code.

(D) "Community service organization or similar entity" has the same meaning as in section 4110 of the Civil Code.

(E) "Governing documents" has the same meaning as in section 4150 of the Civil Code.

(F) "Separate interest" has the same meaning as in section 4185 of the Civil Code.

(3) If a disciplinary proceeding or other proceeding to enforce a rule in violation of subdivision (e)(1) is initiated, each day the proceeding remains pending shall constitute a separate violation of this regulation.

Authority: Section 1058.5, Water Code.

References: Article X, Section 2, California Constitution; Sections 4080, 4100, 4110, 4150, 4185, and 4735, Civil Code; Sections 102, 104, 105, 275, 350, and 10617, Water Code; *Light v. State Water Resources Control Board* (2014) 226 Cal.App.4th 1463.

#### Sec. 864.5. Self-Certification of Supply Reliability for Three Additional Years of Drought.

(a) To prevent the waste and unreasonable use of water and to meet the requirements of the Governor's May 9, 2016 Executive Order, each urban water supplier shall:

(1) Identify and report no later than June 22, 2016, on a form provided by the Board, the conservation standard that the supplier will be required to meet under this section;

(2) Identify and report no later than June 22, 2016, on a form provided by the Board, the data and underlying analysis relied upon by the supplier to determine the conservation standard reported pursuant to this subdivision including, but not limited to identification of each source of supply the supplier intends to rely on and the quantity of water available under that source of supply given the assumptions of this section;

(3) Certify, no later than June 22, 2016, that the conservation standard reported pursuant to this subdivision is based on the information and assumptions identified in this section;

(4) Post, within two weeks of submittal to the board, the data and underlying analysis relied upon by the supplier to determine the conservation standard reported pursuant to this subdivision to a publicly-accessible webpage; and

(5) Beginning June 1, 2016, reduce its total potable water production by the percentage identified as its conservation standard in this section each month, compared to the amount used in the same month in 2013.

(b) Each urban water supplier's conservation standard pursuant to this section shall be the percentage by which the supplier's total potable water supply is insufficient to meet the total potable water demand in the third year after this section takes effect under the following assumptions:

(1) The next three years' precipitation is the same as it was in water years 2013-2015;

(2) No temporary change orders that increase the availability of water to any urban water supplier are issued in the next three years;

(3) The supplier's total potable water demand for each of the next three years will be the supplier's average annual total potable water production for the years 2013 and 2014;

(4) The supplier's total potable water supply shall include only water sources of supply available to the supplier that could be used for potable drinking water purposes;

(5) Each urban water supplier's conservation standard shall be calculated as a percentage and rounded to the nearest whole percentage point.

(c) The Board will reject conservation standards that do not meet the requirements of this section.

(d) Beginning June 1, 2016, each urban water supplier shall comply with the conservation standard it identifies and reports pursuant to this section.

(e) Compliance with the conservation standard reported pursuant to this section shall be measured monthly and assessed on a cumulative basis through January 2017.

(f) If a wholesaler and all of its urban water supplier customers agree, in a legally-binding document, those suppliers and wholesaler may submit to the board, in lieu of the individualized self-certified conservation standard applicable pursuant to section 864.5 or section 865, an aggregated conservation standard, with all supporting documentation required for individualized self-certified conservation standards by section 864.5.

(g) Each urban water wholesaler shall calculate, to the best of its ability, and no later than June 8, 2016, the volume of water that it expects it would deliver to each urban water supplier in each of the next three years under the assumptions identified in subdivision (b), and post that calculation, and the underlying analysis, to a publicly-accessible webpage.

(h) Submitting any information pursuant to this section that the person who submits the information knows or should have known is materially false is a violation of this regulation, punishable by civil liability of up to five hundred dollars (\$500) for each day in which the violation occurs. Every day that the error goes uncorrected constitutes a separate violation. Civil liability for the violation is in addition to, and does not supersede or limit, any other remedies, civil or criminal.

(i) Any urban water supplier that does not comply with this section shall comply with the applicable conservation standard identified in section 865.

Authority: Section 1058.5, Water Code.

References: Article X, Section 2, California Constitution; Sections 102, 104, 105, 275, 350, 1846, 10617 and 10632, Water Code; *Light v. State Water Resources Control Board* (2014) 226 Cal.App.4th 1463.

Sec. 865. Mandatory Actions by Water Suppliers.

(a) As used in this ~~section~~article:

(1) “Distributor of a public water supply” has the same meaning as under section 350 of the Water Code, except it does not refer to such distributors when they are functioning solely in a wholesale capacity, but does apply to distributors when they are functioning in a retail capacity.

(2) “R-GPCD” means residential gallons per capita per day.

(3) “Total potable water production” means all potable water that enters into a water supplier’s distribution system, excluding water placed into storage and not withdrawn for use during the reporting period, or water exported outside the supplier’s service area.

(4) “Urban water supplier” means a supplier that meets the definition set forth in Water Code section 10617, except it does not refer to suppliers when they are functioning solely in a wholesale capacity, but does apply to suppliers when they are functioning in a retail capacity.

(5) “Urban water wholesaler” means a wholesaler of water to more than one urban water supplier.

(6) “Water year” means the period from October 1 through the following September 30. Where a water year is designated by year number, the designation is by the calendar year number in which the water year ends.

(b) In furtherance of the promotion of water conservation each urban water supplier shall:

(1) Provide prompt notice to a customer whenever the supplier obtains information that indicates that a leak may exist within the end-user’s exclusive control.

(2) Prepare and submit to the State Water Resources Control Board by the 15th of each month a monitoring report on forms provided by the Board. The monitoring report shall include the amount of potable water the urban water supplier produced, including water provided by a wholesaler, in the preceding calendar month and shall compare that amount to the amount produced in the same calendar month in 2013. The monitoring report shall specify the population served by the urban water supplier, the percentage of water produced that is used for the residential sector, descriptive statistics on water conservation compliance and enforcement efforts, the number of days that outdoor irrigation is allowed, and monthly commercial, industrial and institutional sector use. The monitoring report shall also estimate the gallons of water per person per day used by the residential customers it serves.

(c)(1) To prevent the waste and unreasonable use of water and to meet the requirements of the Governor’s ~~November 13, 2015~~May 9, 2016 Executive Order, each urban water supplier that fails to identify a conservation standard as required under section 864.5, or that has a conservation standard rejected by the Board under section

864.5, shall reduce its total potable water production by the percentage identified as its conservation standard in this ~~subdivision~~section. Each urban water supplier's conservation standard considers its service area's relative per capita water usage.

~~(2) Each urban water supplier whose source of supply does not include groundwater or water imported from outside the hydrologic region in which the water supplier is located, and that has a minimum of four years' reserved supply available, may submit to the Executive Director for approval a request that, in lieu of the reduction that would otherwise be required under paragraphs (3) through (10), the urban water supplier shall reduce its total potable water production by 4 percent for each month as compared to the amount used in the same month in 2013. Any such request shall be accompanied by information showing that the supplier's sources of supply do not include groundwater or water imported from outside the hydrologic region and that the supplier has a minimum of four years' reserved supply available.~~

~~(3)~~ Each urban water supplier whose average July-September 2014 R-GPCD was less than 65 shall reduce its total potable water production by 8 percent for each month as compared to the amount used in the same month in 2013.

~~(4)~~ Each urban water supplier whose average July-September 2014 R-GPCD was 65 or more but less than 80 shall reduce its total potable water production by 12 percent for each month as compared to the amount used in the same month in 2013.

~~(5)~~ Each urban water supplier whose average July-September 2014 R-GPCD was 80 or more but less than 95 shall reduce its total potable water production by 16 percent for each month as compared to the amount used in the same month in 2013.

~~(6)~~ Each urban water supplier whose average July-September 2014 R-GPCD was 95 or more but less than 110 shall reduce its total potable water production by 20 percent for each month as compared to the amount used in the same month in 2013.

~~(7)~~ Each urban water supplier whose average July-September 2014 R-GPCD was 110 or more but less than 130 shall reduce its total potable water production by 24 percent for each month as compared to the amount used in the same month in 2013.

~~(8)~~ Each urban water supplier whose average July-September 2014 R-GPCD was 130 or more but less than 170 shall reduce its total potable water production by 28 percent for each month as compared to the amount used in the same month in 2013.

~~(9)~~ Each urban water supplier whose average July-September 2014 R-GPCD was 170 or more but less than 215 shall reduce its total potable water production by 32 percent for each month as compared to the amount used in the same month in 2013.

~~(10)~~ Each urban water supplier whose average July-September 2014 R-GPCD was 215 or more shall reduce its total potable water production by 36 percent for each month as compared to the amount used in the same month in 2013.

(d)(1) Beginning June 1, 2015, each urban water supplier that does not submit a self-certification in compliance with section 864.5 shall comply with the conservation standard specified in subdivision (c), with any modifications to the conservation standard pursuant to subdivision (f) applying beginning March 1, 2016.

(2) Compliance with the requirements of this subdivision shall be measured monthly and assessed on a cumulative basis through ~~October 2016~~January 2017.

(e)(1) Each urban water supplier that provides potable water for commercial agricultural use meeting the definition of Government Code section 51201, subdivision (b), may subtract the amount of water provided for commercial agricultural use from its

potable water production total, provided that any urban water supplier that subtracts any water provided for commercial agricultural use from its total potable water production shall:

(A) Impose reductions determined locally appropriate by the urban water supplier, after considering the applicable urban water supplier conservation standard specified in subdivision (c), for commercial agricultural users meeting the definition of Government Code section 51201, subdivision (b) served by the supplier;

(B) Report its total potable water production pursuant to subdivision (b)(2) of this section, the total amount of water supplied for commercial agricultural use, and shall identify the reduction imposed on its commercial agricultural users and each recipient of potable water for commercial agricultural use;

(C) Certify that the agricultural uses it serves meet the definition of Government Code section 51201, subdivision (b); and

(D) Comply with the Agricultural Water Management Plan requirement of paragraph 12 of the April 1, 2015 Executive Order for all commercial agricultural water served by the supplier that is subtracted from its total potable water production.

(2) Submitting any information pursuant to subdivision (e)(1)(B) or (C) of this section that is found to be materially false by the Board is a violation of this regulation, punishable by civil liability of up to five hundred dollars (\$500) for each day in which the violation occurs. Every day that the error goes uncorrected constitutes a separate violation. Civil liability for the violation is in addition to, and does not supersede or limit, any other remedies, civil or criminal.

(f) In consideration of the differences in climate affecting different parts of the state, growth experienced by urban areas and significant investments that have been made by some suppliers towards creating new, local, drought-resilient sources of potable water supply, an urban water supplier's conservation standard identified in subdivision (c) shall be reduced by an amount, not to exceed eight (8) percentage points total, as follows:

(1) For an urban water supplier whose service area evapotranspiration (ET<sub>o</sub>) for the months of July through September exceeds the statewide average evapotranspiration, as determined by the Board, for the same months by five (5) percent or more, the supplier's conservation standard identified in subdivision (c) shall be reduced:

(A) By two (2) percentage points if the supplier's service area evapotranspiration exceeds the statewide average by five (5) percent or more but less than ten (10) percent;

(B) By three (3) percentage points if the supplier's service area evapotranspiration exceeds the statewide average by ten (10) percent or more but less than twenty (20) percent;

(C) By four (4) percentage points if the supplier's service area evapotranspiration exceeds the statewide average by twenty (20) percent or more.

(D) Statewide average evapotranspiration is calculated as the arithmetic mean of all urban water suppliers' service area default evapotranspiration values for the months of July through September. Default service area evapotranspiration will be based on the California Irrigation Management System (CIMIS) ET<sub>o</sub> Zones Map zone for which the supplier's service area has the greatest area of overlap. In lieu of applying its default service area evapotranspiration, a supplier may use specific data from CIMIS stations within its service area that have at least a five-year period of record, or a three year continuous period of record, to identify a more specifically-applicable evapotranspiration

for its service area. If no CIMIS station exists within the supplier's service area, a weather station of comparable accuracy, meeting the preceding period of record requirements, may be used. To qualify for the in-lieu climate adjustment, the supplier shall submit the following data to the Board by March 15, 2016 for each station: station ID; station location; and monthly average evapotranspiration, in inches per month, for July, August, and September for either the five-year period of record or the three-year continuous period of record.

(2) To account for water efficient growth experienced in the state since 2013, urban water suppliers' conservation standards shall be reduced by the product of the percentage change in potable water production since 2013 and the percentage reduction in potable water use required pursuant to subdivision (c), rounded to the nearest whole percentage point. Change in potable water production since 2013 shall be calculated as the sum of the following:

(A) The number of additional permanent residents served since January 1, 2013, multiplied by the average residential water use per person for that supplier's service area during the months of February through October, 2015, in gallons; and

(B) The number of new commercial, industrial and institutional connections since January 1, 2013, multiplied by the average commercial, industrial and institutional water use per connection for that supplier's service area during the months of February through October, 2015, in gallons.

(C) To qualify for the growth credit the supplier shall submit to the Board the following data by March 15, 2016: the number of additional permanent residents served since January 1, 2013 and the number of new commercial, industrial and institutional connections since January 1, 2013.

(3) For an urban water supplier that supplies, contracts for, or otherwise financially invests in, water from a new local, drought-resilient source of supply, the use of which does not reduce the water available to another legal user of water or the environment, the conservation standard identified in subdivision (c) shall be reduced:

(A) By one (1) percentage point if the supplier's qualifying source of supply is one (1) percent or more but less than two (2) percent of the supplier's total potable water production;

(B) By two (2) percentage points if the supplier's qualifying source of supply is two (2) percent or more but less than three (3) percent of the supplier's total potable water production;

(C) By three (3) percentage points if the supplier's qualifying source of supply is three (3) percent or more but less than four (4) percent of the supplier's total potable water production;

(D) By four (4) percentage points if the supplier's qualifying source of supply is four (4) percent or more but less than five (5) percent of the supplier's total potable water production;

(E) By five (5) percentage points if the supplier's qualifying source of supply is five (5) percent or more but less than six (6) percent of the supplier's total potable water production;

(F) By six (6) percentage points if the supplier's qualifying source of supply is six (6) percent or more but less than seven (7) percent of the supplier's total potable water production;

(G) By seven (7) percentage points if the supplier's qualifying source of supply is seven (7) percent or more but less than eight (8) percent of the supplier's total potable water production;

(H) By eight (8) percentage points if the supplier's qualifying source of supply is eight (8) percent or more of the supplier's total potable water production.

(I) To qualify for this reduction the supplier must certify, and provide documentation to the Board upon request demonstrating, the percent of its total potable water production that comes from a local, drought-resilient source of supply developed after 2013, the supplier's investment in that local, drought-resilient source of supply, and that the use of that supply does not reduce the water available to another legal user of water or the environment. To qualify for this reduction an urban water supplier shall submit the required certification to the Board by March 15, 2016.

(J) Certifications that do not meet the requirements of subdivision (f)(3)(I), including certifications for which documentation does not support that the source of supply is a local, drought-resilient source of supply, the use of which does not reduce the water available to another legal user of water or the environment, will be rejected. Submitting a certification or supporting documentation pursuant to subdivision (f)(3)(I) that is found to be materially false by the Board is a violation of this regulation, punishable by civil liability of up to five hundred dollars (\$500) for each day in which the violation occurs. Every day that the error goes uncorrected constitutes a separate violation. Civil liability for the violation is in addition to, and does not supersede or limit, any other remedies, civil or criminal.

(4) No urban water supplier's conservation standard pursuant to this section shall drop below eight (8) percent as a consequence of the reductions identified in this subdivision. ~~No reduction pursuant to this subdivision shall be applied to any urban water supplier whose conservation standard is four (4) percent based on subdivision (e)(2).~~

~~(g)(1)~~ To prevent waste and unreasonable use of water and to promote water conservation, each distributor of a public water supply that is not an urban water supplier shall ~~take one or more of the following actions:~~

(1) Provide prompt notice to a customer whenever the supplier obtains information that indicates that a leak may exist within the end-user's exclusive control; and

~~—— (A) Limit outdoor irrigation of ornamental landscapes or turf with potable water by the persons it serves to no more than two days per week; or~~

~~—— (B) Reduce by 25 percent its total potable water production relative to the amount produced in 2013.~~

(2) Each distributor of a public water supply that is not an urban water supplier shall submit a report by ~~September~~ December 15, 2016, on a form provided by the Board, that either confirms compliance with subdivision (g)(1)(A) or identifies total potable water production, by month, from December, 2015 through ~~August~~ November, 2016, and total potable water production, by month, for the same months in 2013, and any actions taken by the supplier to encourage or require its customers to conserve water.

Authority: Section 1058.5, Water Code.

References: Article X, Section 2, California Constitution; Sections 102, 104, 105, 275, 350, 1846, 10617 and 10632, Water Code; *Light v. State Water Resources Control Board* (2014) 226 Cal.App.4th 1463.

#### Sec. 866. Additional Conservation Tools.

(a)(1) To prevent the waste and unreasonable use of water and to promote conservation, when a water supplier does not meet its conservation standard required by section 864.5 or section 865 the Executive Director, or the Executive Director's designee, may issue conservation orders requiring additional actions by the supplier to come into compliance with its conservation standard.

(2) A decision or order issued under this article by the Board or an officer or employee of the Board is subject to reconsideration under article 2 (commencing with section 1122) of chapter 4 of part 1 of division 2 of the Water Code.

(b) The Executive Director, or his designee, may issue an informational order requiring water suppliers, or commercial, industrial or institutional properties that receive any portion of their supply from a source other than a water supplier subject to section 864.5 or 865, to submit additional information relating to water production, water use or water conservation. The failure to provide the information requested within 30 days or any additional time extension granted is a violation subject to civil liability of up to \$500 per day for each day the violation continues pursuant to Water Code section 1846.

(c) Orders issued under previous versions of this ~~subdivision~~section shall remain in effect and shall be enforceable as if adopted under this version. Changes in the requirements of this article do not operate to void or excuse noncompliance with orders issued before those requirements were changed.

Authority: Section 1058.5, Water Code.

References: Article X, Section 2, California Constitution; Sections 100, 102, 104, 105, 174, 186, 187, 275, 350, 1051, 1122, 1123, 1825, 1846, 10617 and 10632, Water Code; *Light v. State Water Resources Control Board* (2014) 226 Cal.App.4th 1463.

# **EXCESS USE CHARGES FOR RETAIL POTABLE WATER CUSTOMERS REGULATIONS AND RESTRICTIONS**

**AMENDED MAY 2015**

## **METHOD OF WATER ALLOCATION**

As required by the Retail Water Shortage Allocation Plan (Plan), adopted by the San Francisco Public Utilities Commission (SFPUC) as part of the City's Urban Water Management Plan, a system for allocating water to those customers subject to mandatory rationing must be implemented during a water shortage declared by the Commission. On August 12, 2014, the Commission determined that all outdoor irrigation of ornamental landscapes or turf with potable water by retail customers should be reduced by at least 10%, and that the SFPUC will determine water allocations for each retail potable irrigation customer using the percentage allocation method. Allocations will be based on a percentage reduction of past use. On May 26, 2015, the Commission increased the mandatory reduction on outdoor irrigation from 10% to 25% due to continuing, severe drought conditions.

## **RESTRICTION PERIOD**

- a. Customers with retail potable or raw water<sup>1</sup> irrigation accounts are subject to a mandatory 25% reduction in overall outdoor water use, starting from July 1, 2015.

## **WATER ALLOCATION PROCESS**

- a. Customers with retail potable or raw water irrigation accounts will be assigned water allocations based on 75% of their water use from the corresponding billing month in 2013:
  1. From July 2015 – December 2015 monthly allocations will equal 90% of billed water use from the July – December 2013 billing periods.
  2. January 2016 – February 2016 monthly allocations will equal 75% of billed water use from January – February 2013 billing periods.
  3. If water use from the corresponding billing month in 2013 is not available to establish the allocation, the following methodology by priority will be applied:
    - i. PRIORITY 2: Wet-Dry Allocation 2013 - Based on the same Service Account's average billed consumption in the wet or dry months in 2013
    - ii. PRIORITY 3: Wet-Dry Allocation 2014 - Based on the same Service Account's average billed consumption in the wet or dry months in 2014
    - iii. PRIORITY 4: Previous Customer Based Allocation - Based on the consumption in 2013 of the Service Agreement of the previous customer on the same Service Point as the current Service Account

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<sup>1</sup> Raw water accounts receive untreated water from the Regional Water System to serve non-potable purposes. As of May 2015, existing raw water customers are Western Star Nursery, Sunol Valley Golf Course, and Crystal Springs Golf Course.

- iv. PRIORITY 5: Default allocation - Use a default value of zero (0) based on the month in question
- b. Dedicated irrigation account holders will be notified through a monthly message included on their water bills about their water allocation and their progress toward meeting the required 25% reduction in use.
- c. At the discretion of the General Manager, an account that is not classified as an irrigation account, but is identified to be serving irrigation for the majority of its water use may be assigned water allocations in accordance with items (a) and (b) above.

### **EXCESS USE CHARGES**

- a. An excess use charge will be applied to the approximately 1,600 dedicated retail potable and raw water irrigation accounts to enforce the outdoor use restrictions.
- b. The requirement to reduce water consumption by 25% will become effective on the July 2015 billing period for each account. Excess water use charges will be assessed to customers if they exceed their 75% allocation for any given billing period.
- c. If the customer account(s) exceed the 75% allocation for any given billing period, the corresponding bill will include an excess use charge of 100% of the applicable water rate for each unit of excess water used.

Excess water charges will remain in effect until such a time that the General Manager determines mandatory rationing for outdoor irrigation with potable water is no longer necessary. Excess water charges for periods beyond February 2016 will be calculated in the same manner for ensuing fiscal years.

### **EXCEPTIONS**

- a. The General Manager, or his or her designee, upon application made in writing by a customer on a form provided by the San Francisco Public Utilities Commission and accompanied by supporting documentation, may issue an exception from or revision of the strict application of any restriction, regulation or prohibition enforced pursuant to this chapter, upon the customer's production of substantial evidence demonstrating the existence of one or more of the following circumstances that are particular to that customer and which are not generally shared by other water department customers:

Criteria for exception:

1. Irrigation demand consists of 100% edible plantings for individual consumption or commercial purposes;
2. Irrigation demand served by raw water consists of 100% plantings grown for commercial sales, such as nurseries and tree farms;
3. Irrigation demand consists of community gardens or demonstration projects that are accessible or beneficial to the community and public; or
4. Irrigation demand is provided by recycled water.

Criteria for revision:

1. Circumstances concerning the customer's irrigation practices have changed during the baseline period or since the implementation of the subject restriction, warranting a modification to the customer's water use allocation;
2. The customer has multiple irrigation accounts that are subject to mandatory reductions and opts to redistribute the account-level allocations among the irrigation accounts to achieve the same overall reduction. Each of the following criteria must be met:
  - a. The properties must be owned by one entity;
  - b. The customer must request redistribution of their allocations within 15 days of receipt of the initial allocation schedule or no later than 15 days of receipt of the most recent bill; only the most recent bill will be retroactively adjusted; and no more than two appeals will be granted within the restricted period;
  - c. Each account in the group must serve a hospital, university, cemetery, State or Federal governmental facility, or otherwise serve a space that is accessible or beneficial to the community and public; and
  - d. Each account in the group must comply with applicable outdoor water use restrictions.

## **APPEALS PROCESS**

In order to qualify for an exception, an irrigation account customer must first complete and submit the Irrigation Allocation Appeals Form available at [www.sfwater.org](http://www.sfwater.org). SFPUC may conduct a site inspection, water audit, and/or review the customer's consumption history to verify the conditions for an exception. SFPUC will determine whether modifications or exceptions may apply to the customer account(s) on a case-by-case basis.

APPROVED:  
SAN FRANCISCO PUBLIC UTILITIES COMMISSION

By: \_\_\_\_\_

**HARLAN L. KELLY, JR.**  
**GENERAL MANAGER**

Date: \_\_\_\_\_

# **SAN FRANCISCO PUBLIC UTILITIES COMMISSION**

## **GENERAL MANAGER ORDER**

### **RULES AND REGULATIONS FOR THE ADMINISTRATION OF INTERRUPTIBLE WATER SERVICES**

**February 2015, Amended June 2015**

San Francisco Charter section 4.126 authorizes the General Manager to adopt rules and regulations governing matters within the jurisdiction of the San Francisco Public Utilities Commission (SFPUC), subject to subsequent action by the Commission, if any, to modify the General Manager's exercise of such authority.

Since 2007, the SFPUC has made the Interruptible Water Service rate (Schedule W-3B and W-34) available to municipal customers within and outside the City and County of San Francisco. The SFPUC offered this rate to municipal customers whose irrigation water service could reasonably be interrupted during times of water shortage and other emergencies, at the discretion of the SFPUC Water Enterprise. In May, 2014, Interruptible Water Service was expanded through the Commission rate setting process, making it available to all retail irrigation customers, inside and outside San Francisco; and revising the cost basis for the Interruptible Water Service rate to include recovery of capital costs associated with treatment and delivery, but not reserve capacity.

This General Manager Order provides procedures and requirements for implementing the Commission's modifications to the general rates regarding Interruptible Water Service. The General Manager, pursuant to authority under Charter section 4.126, hereby orders that the requirements, processes and standards in this Order, shall apply when Interruptible Water Service is provided to eligible customers.

#### **Eligibility**

Current Interruptible Water Service accounts and any new applications for dedicated irrigation meters are eligible for Interruptible Water Service. Customers who wish to remain on or join the Interruptible Water Service program must acknowledge and accept the terms of interruption provided by this Order for each service account, as outlined below. Current customers who do not explicitly agree to the terms will be classified as Commercial, Industrial, and General Use customers and will be subject to the W-1C rate, effective July 1, 2015. New applications for Interruptible Water Service will be processed in accordance with this Order and other applicable SFPUC water service rules.

## **Interruption**

The following table provides requirements that will be imposed on customers for each stage of drought or water shortage. For any given stage, the requirements will differ between non-irrigation customers; irrigation customers with Schedule W-1C Commercial, Industrial and General Use Service; and irrigation customers with Schedule W-3B or W-34 Interruptible Water Service.

During Stage 1, a system-wide reduction of 5-10% will be imposed and will be voluntary except for irrigation customers with Interruptible Water Service. For system-wide reductions greater than 10% (e.g., Stages 2 and 3), mandatory reductions will be imposed on all customers. A unique stage corresponding to the 2015-2016 Drought Program imposes mandatory reductions on irrigation customers only.

For customer in the Interruptible Water Service program, the SFPUC will provide baseline use data and allocation limits that will be imposed while voluntary water use reductions are in effect. Baseline use will be determined by the SFPUC using corresponding monthly billing data from the prior year. For new accounts that do not have relevant historical data, the SFPUC will set individual water budgets.

Following an announcement by the General Manager of a voluntary reduction in water use, Interruptible Water Service customers will have one billing cycle to reduce their water use to or below the allocation limit. SFPUC staff will assess compliance on a monthly basis. If a customer fails to reduce water use as required by the above table, the customer will be notified of the violation. If the customer exceeds its allocation a second time (even if it is non-consecutive), the customer will immediately revert to the W-1C rate and will be subject to all fees, charges, and restrictions in effect for that customer class.

Following an announcement by the General Manager of a mandatory reduction in water use, Interruptible Water Service customers will receive a notice that they have 14 days to stop water use. The SFPUC will shut off water supplies to Interruptible Water Service customers after the 14-day notice period. Water use will not be permitted until the General Manager determines that mandatory reductions are no longer necessary.

	Residential, Commercial, Industrial, Municipal Non-Irrigation	Residential, Commercial, Industrial Municipal Irrigation	Interruptible (Schedule W-3B and W-34)
<b>Voluntary</b>			
<b>Stage 1 System-wide reduction of 5%-10%</b>	<ul style="list-style-type: none"> <li>Alert customers (supply conditions, prohibitions, incentives)</li> </ul> <p><b>No excess use charges</b></p>	<ul style="list-style-type: none"> <li>Alert customers</li> </ul> <p><b>No planned excess use charges; may be required by State/other mandates (up to 1x)</b></p>	<p>10% required</p> <p><b>Excess Use Charge of 2x</b></p>
<b>Mandatory for Irrigation Only</b>			
<b>2015-2016 Drought Program: System-wide reduction of 10%</b>	<ul style="list-style-type: none"> <li>Alert customers (supply conditions, prohibitions, incentives)</li> <li>Adjustment of wastewater flow factors</li> <li>Restrictions per State Water Board emergency regulations</li> </ul> <p><b>No excess use charges</b></p>	<p>25% reduction; Restrictions per State Water Board emergency regulations</p> <p><b>Excess Use Charge of 1x</b></p>	<p>30% reduction; Restrictions per State Water Board emergency regulations</p> <p><b>Excess Use Charge of 3x</b></p>
<b>Mandatory</b>			
<b>Stage 2 System-wide reduction of 11%-20%</b>	<ul style="list-style-type: none"> <li>Stage 1 actions</li> <li>Allocations of water, <b>Excess Use Charge of 2x</b></li> </ul>	<ul style="list-style-type: none"> <li>Stage 1 actions</li> <li>Allocations of water, <b>Excess Use Charge of 2x</b></li> </ul>	<p>35% reduction</p> <p><b>Excess Use Charge of 4x</b></p>
<b>Stage 3 (&gt;20%) Based on example of 1989-1992 drought</b>	<p><b>Restrictions</b></p> <ul style="list-style-type: none"> <li>Commercial/ industrial reduced by 32%; healthcare facilities may be less</li> <li>Cooling / vehicle washing to be with recycled water</li> <li>Multi-family residences to use no more than 150gpd x number of units 50gpd per resident/new accts</li> <li>Single-family residences to use no more than 300gpd</li> </ul> <p><b>Excess Use Charge of 8x</b></p>	<p><b>Restrictions</b></p> <ul style="list-style-type: none"> <li>Golf course irrigation to be limited to greens</li> <li>Potable water use for irrigation of median strips, street sweeping prohibited</li> </ul> <p><b>Excess Use Charge of 8x</b></p>	<p><b>50% reduction, Excess Use Charge of 10x</b></p>
<b>25% systemwide rationing goal</b>	<ul style="list-style-type: none"> <li>Indoor reduction of 10%-outdoor reduction of 60%</li> </ul> <p><b>Excess Use Charge of 10x</b></p>	<b>Excess Use Charge of 10x</b>	<b>Mandatory Shut Off</b>
<b>45% systemwide rationing goal</b>	<ul style="list-style-type: none"> <li>Indoor reduction of 33% - outdoor reduction of 90%</li> </ul> <p><b>Excess Use Charge of 10x</b></p>	<b>Excess Use Charge of 10x</b>	<b>Mandatory Shut Off</b>

## **Service Agreement**

In order to receive water under the Interruptible Water Services rates and program, a customer must agree to the terms of the Interruptible Water Service outlined in this order by signing and returning a form of an agreement provided by the SFPUC. If an irrigation customer does not explicitly agree to the terms of the Interruptible Water Service by signing such an agreement, they will automatically be subject to Schedule W-1C Commercial, Industrial and General Use Service account, beginning on July 1, 2015. When the SFPUC has received a signed agreement for Interruptible Water Service, SFPUC staff will use monthly baseline use data to determine allocation limits for each Interruptible Water Service customer.

## **Reconsideration**

Customers may request reconsideration of the calculation of the baseline use and allocations or reinstatement after an assessment of non-compliance, by submitting a written request, including supporting documentation, to the General Manager, whose decision shall be final.

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Harlan Kelly, Jr.  
General Manager

# **SAN FRANCISCO PUBLIC UTILITIES COMMISSION**

## **RULES PROVIDING FOR APPEALS OF THE DEPARTMENT'S DETERMINATION OF WASTEWATER VOLUME FOR PURPOSES OF ASSESSING SEWER SERVICE CHARGES**

**AMENDED MAY 2015**

### **Section 1. Introduction**

These rules establish procedures for reviewing and deciding appeals of the department's calculation of wastewater discharges for purposes of assessing sewer service charges. The determination of the volume of wastewater subject to sewer service charges is based on the volume of water consumed by the user.

The annual San Francisco Public Utilities Commission sewer service charge rate setting process for residential users includes an estimate that on an annual basis, 90% of the water consumed by each single family residential user and 95% of the water consumed by each multi-family residential user is discharged to the sewer system as wastewater. A residential user who can substantiate that less than 90% or 95%, as applicable, of the water usage is discharged to the sewer system may be eligible for a reduced flow factor. Residential users who are dissatisfied with the department's wastewater volume calculations may have that determination reviewed by the Residential Users Appeals Board (hereafter "Board").

A residential user who disagrees with the department's calculation of wastewater volume may appeal such determinations in accordance with the following rules.

### **Section 2. Residential Users Appeals Board**

(a) The Board is comprised of three members. It shall elect a chairperson from among its members at the first meeting of the Board in January of each year. The chairperson shall preside at all meetings of the Board. The chairperson may appoint one of the Board members to be the acting chairperson in his or her absence.

(b) The chairperson shall assure a fair hearing is provided to all appellants and that these rules are followed during every appeal hearing. The majority of the Board shall be responsible for assuring that the duties of the chairperson are properly exercised.

(c) The Board's purpose in reviewing appeals is to determine whether department staff properly applied the criteria listed in Section 6 of these rules to the appellant's specific circumstances in determining the appropriate volume of wastewater discharged into the sewerage system. The Board's deliberations shall be conducted in open public session at a duly noticed Board hearing.

### **Section 3. Executive Secretary**

(a) The General Manager shall appoint a member of his or her staff to act as the executive secretary of the Board.

(b) The executive secretary of the Board shall provide administrative support to the Board. The executive secretary shall make investigations and reports of the Board's hearings and official actions, and shall prepare all notices of decision and orders and all documents relating to such decisions. The executive secretary shall examine incoming mail for proper referral, answer correspondence, and maintain records of accounts and operations. All communications between appellants, the Board, and department staff not occurring during a duly noticed Board hearing, shall be directed by and through the executive secretary.

(c) The executive secretary shall set a time and place for the Board's hearings, and shall prepare a calendar for each hearing. The executive secretary shall prepare minutes and record by tape the proceedings of each Board hearing.

### **Section 4. Appeals**

(a) If a residential user believes that the volume of his or her discharge of wastewater into the system is less than 90% or 95% of the water usage, as applicable, he or she may submit a request for adjustment of the flow factor used in calculation of sewer service charges. Such requests shall be submitted in writing to the General Manager (or in all instances in these rules, his or her designated department staff) of the San Francisco Public Utilities Commission.

(b) Each such request shall include proof of compliance with San Francisco Administrative Code, Chapter 63, Water Efficient Irrigation Ordinance if over 1,000 square feet of landscape have been modified or newly installed since January 1, 2011.

(c) Each such request shall contain the name and address of the residential user and a statement that substantiates the percentage of incoming water discharged to the sewer. The department staff designated by the General Manager to perform such duties will determine the volume of wastewater discharged to the City's sewerage system for the purpose of assessing the user's sewer service charges.

(d) The decision by department staff shall be transmitted to the residential user within 90 days of receipt of the request for the flow factor adjustment, unless the residential user agrees to an extension of time beyond the 90 days. The decision transmittal shall include reasons for the decision and copies of supporting documentation.

(e) A residential user who is dissatisfied with the decision of department staff may submit a written appeal to the Board within 30 days of receipt of the department

staff's decision. The executive secretary of the Board, upon receipt of an appellant's request for a hearing with the Board, shall schedule and communicate by mail the date, time and place of the hearing when the appellant's appeal will be heard by the Board.

(f) Appellant shall provide an original and three copies of any supporting documentation to be considered by the Board no less than twenty (20) days prior to the appellant's scheduled hearing date.

(g) At the appellant's request, the executive secretary shall make available for the appellant's review all relevant department documentation related to the appellant's appeal.

(h) The decision of the Board shall be transmitted to the appellant within 45 days of receipt of the appellant's written appeal, unless the appellant agrees to an extension of time beyond the 45 days. The Board's decision shall include a written statement of reasons justifying the decision.

(i) The Board may hear and decide only those appeals from appellants who have submitted flow factor adjustment requests to, and received decisions from department staff in accordance with Sections 4(a), 4(b) and 4(c).

## **Section 5. Board Hearings**

(a) Board hearings shall be held on the fourth Friday of each month. If the regular meeting day falls on a legal holiday, it shall instead be held on the third or fifth Friday of the month, or may be cancelled. Board hearings shall be open to the public and held at such times and places as the executive secretary may determine.

(b) Notices of hearings and the hearing calendar shall be posted as required by applicable state and local laws. Notices of hearings shall be mailed by the executive secretary to all interested parties who have requested such notification, not less than five days before the hearing for which the matter is scheduled.

(c) The appellant shall be allowed five minutes for presentation of relevant testimony and evidence. The department staff shall have five minutes for presentation of relevant testimony and evidence. Other persons desiring to speak before the Board on an appeal may speak once for up to three minutes.

(d) Photographs may be used in presentations at the hearing. Except by ruling of the chairperson for sufficient cause, no other written materials will be accepted by the Board during the public hearing.

(e) The rules of parliamentary practice, as set forth in Robert's Rules of Order, shall govern all meetings of the Board, except as otherwise provided by these rules.

(f) Two members of the Board shall constitute a quorum. A tie vote constitutes a decision to uphold department staff's recommendation or the Board may continue an appeal at a future hearing.

### **Section 6. Criteria For Determining The Volume Of Wastewater Discharged To The City's Sewerage System**

(a) The determination of the volume of wastewater discharged to the City's sewerage system shall be based on the following formulas. The purpose of the following formulas is to provide a structured method of estimating the discharge volume. These formulas will result in a flow factor (ff) that approximates the annual wastewater discharged divided by the annual water usage. The difference between water usage and wastewater discharged is presumed to be for irrigation uses.

(b) The basic formula used to determine the flow factor is as follows:

Flow Factor = Annualized Inside Household Need divided by Total Annual Consumption

The annualized inside household need is presumed to be discharged to the City's sewer system. The department has two methods in calculating the annualized inside household need, thus the department utilizes two formulas: (i) the irrigation potential formula and (ii) the wet/dry formula. The formulas are explained below in detail.

The department makes the determination as to which formula will be applied based on the following criteria:

- Use the flow factor that results to an average daily consumption between 40 gallons to 80 gallons per day per person or that is closest to 40 gallons per day per person, if with ultra low flush toilets, or closest to 80 gallons per day per person if without ultra low flush toilets.

(i) *Irrigation Potential*

The use of the *irrigation potential (IP)* method to calculate the flow factor provides the information necessary to determine an equitable flow factor assignment. This method assumes a seven (7) month irrigation season.

The Department bases the flow factor assignment on physical data gathered during an on-site inspection conducted by an SFPUC Water Service Inspector of the irrigated area(s). Such physical data includes a qualitative and quantitative assessment of the square footage, the numbers and type of plants, shrubs, ground cover, trees, and turf. Deductions are made to the estimated annual irrigation usage for lawn, garden, and shrub areas that are not fully green (% brown) or fully planted (% patchy).

Formula:

$$\text{Flow Factor} = \frac{\text{Annualized Inside Household Need}}{\text{Total Annual Consumption}}$$

Step 1: *Total* the Irrigation Potential for lawns, gardens and/or shrubs based on the following factors:

- a). Irrigation Potential for lawn or garden is equal to one (1) cubic foot of water per square footage of lawn or garden area
- b). Irrigation Potential for shrub needs one half (1/2) cubic foot of water per square footage of shrubbery
- d). 100 cubic feet of water is equal to one (1) billing unit of water

RESULT: Irrigation Potential in billing units of water per bi-monthly (or monthly, as applicable) billing period

Step 2: *Multiply* the Irrigation Potential (as calculated in Step 1) by the percentage of the total area that is planted or the percentage of the total area that is green when lawn, garden and/or shrub areas are not fully green or fully planted.

RESULT: Adjusted Irrigation Potential in billing units of water per bi-monthly (or monthly, as applicable) billing period

Step 3: *Multiply* the Irrigation Potential or Adjusted Irrigation Potential by 3.5 (represent seven (7) month irrigation season)

RESULT: Annualized Garden Need

Step 4: *Total* the six (6) bi-monthly (or twelve (12) monthly, as applicable) billing periods immediately preceding the effective date of the appeal

RESULT: Total Annual Consumption

Step 5: *Subtract* the Annualized Garden Need from the Total Annual Consumption

RESULT: Annualized Inside Household Need

Step 6: *Divide* the Annualized inside household need by the Total Annual Consumption

RESULT: Flow Factor Percentage

(ii) Wet/Dry

The use of the wet/dry method is based on the premise that irrigation does not occur year round and that a resident doing substantial irrigation should have a larger usage of water in the summer than the winter. This formula assumes that a customer's average usage inside the home (presumed to go to the sewer) is represented by the average consumption on their two lowest bills in the winter (wet) season.

Formula:

$$\text{Flow Factor} = \frac{\text{Annualized Inside Household Need}}{\text{Total Annual Consumption}}$$

Step 1: *Add* the two lowest wet months and *multiply* sum by 3 to annualize usage

Given Factors:

For Odd Month Billing Cycle, the wet months are January, March and May.

For Even Month Billing Cycle, the wet months are December, February and April.

RESULT: Annualized Inside Household Need

Step 2: *Total* the six (6) bi-monthly (or twelve (12) monthly, as applicable) billing periods immediately preceding the effective date of the appeal

RESULT: Total Annual Consumption

Step 3: *Divide* the annualized inside household need by the Total Annual Consumption

RESULT: Flow Factor Percentage

## **Section 7. Flow Factor Surveys**

Nothing in these rules shall prohibit or limit the department's authority to perform periodic flow factor surveys and audits for the purpose of determining the accuracy of assigned residential user flow factors. Nothing in these rules shall prohibit or limit the department's authority to adjust assigned residential user flow factors, based on the findings of a survey or audit that the assigned flow factors are no longer valid, or based on determination that the residential user is not in compliance with San Francisco Administrative Code, Chapter 63, Water Efficient Irrigation Ordinance.

## **Section 8. Water Shortage Emergency**

During a drought or other water shortage emergency declared by the General Manager, mandatory reductions to outdoor irrigation may be imposed. Upon such an event, the General Manager may adjust existing reduced flow factors to reflect the corresponding reduction in irrigation use.

- (a) Existing reduced flow factors for single family users may be adjusted as follows:

$$\text{Adjusted Flow Factor} = \frac{(90\% - \text{Reduced Flow Factor}) \times (\% \text{ Mandatory Reduction})}{+ \text{Reduced Flow Factor}}$$

Adjusted flow factors are rounded down to the nearest whole integer.

- (b) Existing reduced flow factors for multi-family users may be adjusted as follows:

$$\text{Adjusted Flow Factor} = \frac{(95\% - \text{Reduced Flow Factor}) \times (\% \text{ Mandatory Reduction})}{+ \text{Reduced Flow Factor}}$$

Adjusted flow factors are rounded down to the nearest whole integer

- (c) A residential user with a reduced flow factor may appeal to maintain his or her reduced flow factor if his or her irrigation demand consists of 100% edible plantings for individual consumption or commercial purposes.