

**CALIFORNIA PUBLIC UTILITIES COMMISSION
DIVISION OF WATER AND AUDITS**

Advice Letter Cover Sheet

Utility Name: GOLDEN STATE WATER COMPANY	Date Mailed to Service List: 4/29/2022
District: SIMI VALLY	
CPUC Utility #: 133 W	Protest Deadline (20th Day): 5/19/2022
Advice Letter #: 1879-W	Review Deadline (30th Day): 5/29/2022
Tier <input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> Compliance	Requested Effective Date: 6/1/2022
Authorization Standard Practice U-40-W	Rate Impact: \$0
Description: Schedule 14.1 Stage 2 Activation	0%

The protest or response deadline for this advice letter is 20 days from the date that this advice letter was mailed to the service list. Please see the "Response or Protest" section in the advice letter for more information.

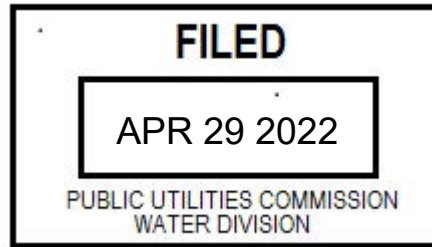
Utility Contact: Gladys Estrada	Utility Contact: Jon Pierotti
Phone: (909) 394-3600 x 527	Phone: (909) 394-3600 x 656
Email: grosendo@gswater.com	Email: Jon.Pierotti@gswater.com
DWA Contact: Tariff Unit	
Phone: (415) 703-1133	
Email: Water.Division@cpuc.ca.gov	

DWA USE ONLY

DATE	STAFF	COMMENTS

<input type="checkbox"/> APPROVED	<input type="checkbox"/> WITHDRAWN	<input type="checkbox"/> REJECTED
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Signature: _____	Comments: _____
Date: _____	_____



April 29, 2022

Advice Letter No. 1879-W

(133 W)

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Golden State Water Company (GSWC) hereby transmits this advice letter to request activation of Stage 2 of its Schedule 14.1, Water Shortage Contingency and Staged Mandatory Water Conservation and Rationing in its Simi Valley Customer Service Area (CSA).

Purpose

In accordance with the provisions of Chapter 3, Division 1, of the Water Code of the State of California and the California Public Utilities Commission's Standard Practice U-40, GSWC is seeking authority to activate Stage 2 of its Schedule 14.1, Water Shortage Contingency and Staged Mandatory Water Conservation and Rationing in its Simi Valley CSA.

Background

On August 20, 2021, GSWC filed Advice Letter 1862-W to establish the Schedule 14.1 Water Shortage Contingency and Staged Mandatory Water Conservation and Rationing tariffs and activate Stage 1 (15%) voluntary conservation in various Customer Service Areas, which included Simi Valley. Advice Letter 1862-W was approved with an effective date of September 19, 2021.

On March 18, 2022, the California Department of Water Resources (DWR) announced that it reduced the calendar year 2022 State Water Project (SWP) allocation to five percent.

DWR has limited supply of water available for SWP contractors to utilize for Human Health and Safety (HH&S) but that access to HH&S water requires: the contractor to demonstrate robust conservation efforts with mandatory requirements; the repayment of all HH&S water in future years; and future investments to reduce reliance on the SWP to meet HH&S needs.

Metropolitan Water District of Southern California (MWD) announced that, in light of the five percent SWP allocation there are insufficient supplies to meet normal demands in SWP dependent areas in calendar year 2022, even with the utilization of HH&S water.

On March 28, 2022, Governor Newsom issued Executive Order (EO) N-7-22 calling on each urban water supplier to implement actions to reduce water usage by 20-30 percent, depending on local conditions. The EO N-7-22 also directed the Water Board to consider adopting emergency regulations to prohibit watering “non-functional turf”, or turf that serves only ornamental purposes, in the commercial, industrial, and institutional sectors during the ongoing drought emergency to conserve water supplies.

On April 26, 2022, MWD declared a Water Shortage Emergency Condition and adopted an Emergency Water Conservation Program to reduce non-essential uses of water and preserve available water supplies. The program will:

- a. limit outdoor water to one-day-per week in the areas that depend on SWP supply with a provision to move to zero outdoor watering on September 1, 2022 based on conditions;
- b. require those member agencies whose service areas encompass all or a portion of the SWP Dependent Area to adopt and implement effective enforcement mechanisms to ensure compliance with this limit; and
- c. impose volumetric penalties of up to \$2,000 per acre-foot for non-compliance.

The one-day-per-week watering limitation would be effective immediately; any penalties for non-compliance would be assessed beginning June 1, 2022. In order to avoid volumetric penalties for water used beginning in June, the urban water suppliers will need to adopt and begin enforcement of the restrictions by May 31, 2022.

GSWC serves approximately 13,800 customers in the City of Simi Valley and vicinity. The majority of the water supply (80%) for the Simi Valley CSA is purchased from Calleguas Municipal Water District (Calleguas), a member agency of MWD.

At its April 6, 2022 meeting, the Calleguas Board of Directors, voted unanimously to declare a Stage 3 Water Shortage. Calleguas called for all water users within its service area to immediately reduce their water consumption by up to 30 percent and implement feasible water-use efficiency measures in an effort to extend stored SWP water supplies and minimize the effects associated with prevailing drought conditions.

On April 27, 2022, the Calleguas Board of Directors passed resolution 2042 which declares a Water Shortage Emergency Condition in the Calleguas Service Area and adopted an Emergency Water Condition Plan (EWCP) consistent with MWD’s Emergency Water Conservation Plan and the Governor’s Executive Order EO-N-7-22. This plan gives the

Calleguas General Manager the authority to modify the restrictions to ban all non-essential outdoor irrigation or enforce volumetric limits should conditions warrant later in the year.

Copies of Calleguas' approved Resolution No. 2041 and No. 2042 are attached to this advice letter filing.

Calleguas' request for mandatory water conservation will require that GSWC's customers in the Simi Valley CSA decrease water usage by 20 percent, from their usage during the same month in 2020.

Request

In response to (EO) N-7-22 to reduce water usage by 20-30% and to achieve MWD's reduction of non-essential water use and preserve water supplies, GSWC is seeking to activate and implement Stage 2 - 20% Mandatory Reduction, in its Schedule 14.1 in the Simi Valley CSA. Activation of Stage 2 will trigger GSWC's authority to impose drought emergency surcharges.

In accordance with MWD's Emergency Water Conservation Program and Calleguas' restrictions to limit non-essential outdoor water use to preserve available water supply for the greatest public benefit, customers in the Simi Valley CSA will be required to limit outdoor water use to **one-day-per week starting on June 1, 2022 and potentially to no outdoor watering later in the year should Calleguas limit all non-essential outdoor watering**. GSWC will coordinate with the local government agencies and adhere to city ordinance restrictions to achieve the required reductions of water use.

In order to achieve the water conservation goal, GSWC customers who are not currently meeting the mandatory 20% reduction in water use be charged a drought emergency surcharge of \$2.50 per Ccf for all usage in excess of the customer's billing allocation (compared to 2020); as listed in Stage 2 of Schedule 14.1. All monies collected will be tracked in the Water Revenue Adjustment Mechanism (WRAM).

On August 5, 2021, GSWC established the 2021 Water Conservation Memorandum Account (2021WCMA), via Advice Letter 1861-W. The 2021WCMA will track all expenses to implement Rule No. 14.1 and Schedule 14.1 for Simi Valley that have not been included in a General Rate Case or other proceedings.

The 2021WCMA will also record monies paid by customers for fines, penalties, or other compliance measures associated with water use violations, the revenue shortfall associated with the conservation measures on GSWC's quantity revenues excluding revenues generated from GSWC's Recycled Water tariffs, that are not covered by the WRAM.

Customer Outreach and Noticing

GSWC will follow all guidelines including customer outreach and noticing guidelines specified in the CPUC's Division of Water and Audit's Standard Practice U-40-W on Instructions for Water Conservation Rationing and Service Connection Moratoria, which include customer outreach and noticing before the implementation of each rationing stage.

GSWC will notify its customers of the Stage 2 activation of Schedule 14.1 through bill insert, direct mailing or electronic notification. Additionally, GSWC will also provide periodic bill messages regarding updates on the status of water supply conditions and the results of customers' conservation efforts.

Public Meeting

As required by Section 351 of the California Water Code, GSWC held a public meeting on September 7, 2021 for its Simi Valley customers to obtain public comments on the proposed Schedule 14.1 and help customers understand the associated enforcement measures related to the Water Shortage Contingency and Staged Mandatory Water Conservation and Rationing plan. Since it has been less than 12 months since the public meeting in Simi Valley, the activation of Stage 2 will not require another public meeting.

Tier Designation

This advice letter has a Tier 2 designation. Golden State is requesting that this filing become effective on June 1, 2022.

Response or Protest

Anyone may submit a response or protest for this AL. When submitting a response or protest, **please include the utility name and advice letter number in the subject line.**

A **response** supports the filing and may contain information that proves useful to the Commission in evaluating the Advice Letter (AL). A **protest** objects to the AL in whole or in part and must set forth the specific grounds on which it is based. These grounds are:

1. The utility did not properly serve or give notice of the AL;
2. The relief requested in the AL would violate statute or Commission order, or is not authorized by statute or Commission order on which the utility relies;
3. The analysis, calculations, or data in the AL contain material error or omissions;
4. The relief requested in the AL is pending before the Commission in a formal proceeding; or
5. The relief requested in the AL requires consideration in a formal hearing, or is otherwise inappropriate for the AL process; or

6. The relief requested in the AL is unjust, unreasonable, or discriminatory, provided that such a protest may not be made where it would require re-litigating a prior order of the Commission.

A protest may not rely on policy objections to an AL where the relief requested in the AL follows rules or directions established by statute or Commission order applicable to the utility. A protest shall provide citations or proofs where available to allow staff to properly consider the protest.

WD must receive a response or protest via email (or postal mail) within 20 days of the date the AL is filed. When submitting a response or protest, **please include the utility name and advice letter number in the subject line.**

The addresses for submitting a response or protest are:

Email Address:	Mailing Address:
Water.Division@cpuc.ca.gov	CA Public Utilities Commission Division of Water and Audits 505 Van Ness Avenue San Francisco, CA 94102

On the same day the response or protest is submitted to WD, the respondent or protestant shall send a copy of the protest to Golden State Water Company at:

Email Address:	Mailing Address:
regulatoryaffairs@gswater.com	Golden State Water Company Attn: Gladys Estrada 630 East Foothill Blvd. San Dimas, CA 91773

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform DWA, within the 20 day protest period, so that a late filed protest can be entertained. The informing document should include an estimate of the date the proposed protest might be voted on.

Replies

The utility shall reply to each protest and may reply to any response. Any reply must be received by WD within five business days after the end of the protest period, and shall be served on the same day on each person who filed the protest or response to the AL.

The actions requested in this advice letter are not now the subject of any formal filings with the California Public Utilities Commission, including a formal complaint, nor action in any court of law.

Sincerely,

/s/ Gladys Estrada

Gladys Estrada

Regulatory Analyst

c: Jim Boothe, CPUC - Water Division
Victor Chan, CPUC- CalPA
Richard Rauschmeier, CPUC- CalPA
Jeremy Ho, CPUC- Water Division

Si necesita asistencia en Español, tenemos representantes de servicio al cliente disponibles para ayudarle cuando lo solicite, por favor llame al número 1-800-999-4033.

NOTICE OF STAGE 2 MANDATORY WATER CONSERVATION AND RATIONING

Golden State Water Company (GSWC) filed an Advice Letter with the California Public Utilities Commission (CPUC) to activate Stage 2 in the Schedule 14.1 Staged Mandatory Water Conservation and Rationing in its Claremont and Simi Valley customer service areas. Schedule 14.1 provides information on restrictions, water allocations, enforcement measures and surcharges that will help to achieve reductions due to water supply shortages or to achieve identified water usage goals established by an authorized government agency or official.

On March 28, 2022, Governor Newsom issued Executive Order N-7-22 calling on each urban water supplier to implement actions to reduce water usage by 20-30 percent, depending on local conditions. The Executive Order also directs the Water Board to consider adopting emergency regulations to prohibit watering “non-functional turf,” or turf that serves only ornamental purposes, in the commercial, industrial, and institutional sectors during the ongoing drought emergency to conserve water supplies.

Additionally, The Metropolitan Water District of Southern California (MWD) imposed restrictions to limit non-essential outdoor water use to one day per week to preserve available water supply for the greatest public benefit. Customers that reside in areas that receive water through MWD (Simi Valley and Claremont) will need to restrict usage to **one day per week** watering.

All restrictions will require water consumers to reduce usage as compared to the amount they used in 2020.

In response to the Governor’s Executive Order, and to achieve MWD’s reduction of non-essential water use and preserve water supplies, GSWC will implement Stage 2 Mandatory Water Conservation and Rationing in its Claremont and Simi Valley service territories requesting 20% mandatory reduction in customer usage. Customers in these areas will be required to limit outdoor water use to **one day per week starting on June 1, 2022 and potentially to no outdoor watering later in the year should a local water agency or local city ordinance limit all non-essential outdoor watering.**

In order to achieve the water conservation goals from all customers, GSWC customers who are not currently meeting the mandatory 20% reduction will be charged a drought emergency surcharge of \$2.50 per Ccf for all usage in excess of the customer’s billing allocation (compared to 2020), as listed in Stage 2 of Schedule 14.1 below:

MANDATORY WATER USE REDUCTION AND DROUGHT EMERGENCY SURCHARGES

Stage 1

Stage 1 is a “Water Alert” where voluntary conservation is encouraged.

Outdoor irrigation is restricted to three days per week:

Addresses Ending In:	Watering Days:
Even Numbers (0, 2, 4, 6, 8):	Sunday, Wednesday, Friday
Odd Numbers (1, 3, 5, 7, 9):	Tuesday, Thursday, Saturday

All outdoor irrigation must occur between the hours of 7 pm - 8 am.

Failure to comply with these restrictions may result in the installation of a flow restrictor device along with associated fees for installation and removal.

If conditions warrant, GSWC will change the number of watering days and the specific day of watering after first notifying its customers in accordance with Rule 14.1.

Each subsequent Stage will be implemented if the preceding Stage allocations and drought emergency surcharges are deemed insufficient to achieve reductions due to water supply shortages or to achieve identified water usage goals established by an authorized government agency or official.

In addition to the restrictions identified in Stage 1, the following allocations and drought emergency surcharges are in effect for **Stages 2-6**:

1. Outdoor irrigation is restricted to two days per week:

Addresses Ending In:	Watering Days:
Even Numbers (0, 2, 4, 6, 8):	Sunday, Wednesday
Odd Numbers (1, 3, 5, 7, 9):	Tuesday, Saturday

2. All customers will have their baseline established using the 2020 usage data for their premise or an area wide average baseline for similar usage if 2020 data does not exist (e.g. new customer accounts).

3. The customer’s allocation will be based on the 2020 baseline less the mandatory reduction % per stage.

- Stage 2 - 20% mandatory reduction (Moderate Shortage)
- Stage 3 - 30% mandatory reduction (Severe Shortage)
- Stage 4 - 40% mandatory reduction (Critical Shortage)
- Stage 5 - 50% mandatory reduction (Shortage Crisis)
- Stage 6 - 55% mandatory reduction (Emergency Shortage)

4. No allocation will be set at less than eight (8) Ccf per monthly billing period or sixteen (16) Ccf per bi-monthly billing period.

5. All usage in excess of the customer's allocation will be charged at the regular rate plus a drought emergency surcharge as follows:

- Stage 2 - \$2.50 per ccf
- Stage 3 - \$5.00 per ccf
- Stage 4 - \$7.50 per ccf
- Stage 5 - \$10.00 per ccf
- Stage 6 - \$15.00 per ccf

FLOW RESTRICTOR CHARGES

The charge for the installation and removal of a flow-restricting device shall be:

- 5/8" to 1": \$150
- 1 1/2" to 2": \$200
- 3" and larger: \$300

The flow restrictor will remain installed for a minimum of 7 days.

EXEMPTION AND APPEALS PROCESS

Any customer who seeks a variance from any of the provisions of this voluntary water conservation and mandatory rationing plan shall notify the GSWC in writing using the Appeals Form, explaining in detail the reason for such a variance. GSWC will evaluate each request based on the standard for efficient water usage, considering similar customers and meter size, and respond in writing.

The Appeals Form is available online at GSWC website: www.gswater.com/appeal or by calling 1-800-999-4033.

Any customer not satisfied with GSWC's response may file an appeal with the Director of the CPUC's Water Division.

If the customer disagrees with such disposition, the customer shall have the right to file a complaint with the CPUC. Except as set forth in this Section, no person shall have any right or claim in law or in equity, against GSWC because of, or as a result of, any matter or thing done or threatened to be done pursuant to the provisions of the voluntary water conservation and mandatory rationing plan.

SPECIAL CONDITIONS

1. A Tier 2 advice letter will have to be filed with the CPUC to activate any of the Stages of Mandatory Water Use Reduction and Drought Emergency Surcharges listed in this Schedule.
2. The active Stage of Mandatory Water Use Reduction and Drought Emergency Surcharges is to remain in effect until a Tier 2 advice letter is filed with the CPUC to activate a different Stage or when Schedule 14.1 is deactivated.
3. Water-use violation fines and/or Drought Emergency Surcharges must be separately identified on each bill.
4. All bills are subject to reimbursement fee set forth on Schedule No. UF.
5. All revenues collected by GSWC through water use violation fines and/or Drought Emergency Surcharges shall not be accounted for as income but shall be accumulated in the WRAM and lost revenue portion tracked in the 2021 Water Conservation Memorandum Account (2021WCMA) for non-WRAM tariffs.
6. No Customer shall use GSWC's water for non-essential or unauthorized uses as defined below:
 - a. The application of potable water to outdoor landscapes in a manner that causes runoff onto adjacent property, non-irrigated areas, private and public walkways, roadways, parking lots, or structures.
 - b. 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.

- c. The use of potable water for washing buildings, structures, sidewalks, walkways, patios, tennis courts, or other hard-surfaced, non-porous areas.
- d. The use of potable water in a fountain or other decorative water feature, except where the water is part of a recirculating system.
- e. The use of potable water for watering outside plants, lawn, landscape, and turf area during certain hours prohibited by applicable laws or rules, during and up to 48 hours after measurable rainfall (0.1" or more).
- f. GSWC will promptly notify customers when aware of leaks within the customer's control; the failure to repair any leaks, breaks, or other malfunction resulting in water waste in a customer's domestic or outdoor water system within forty-eight (48) hours of notification by GSWC, unless other, specific arrangements are made with and agreed to by GSWC.
- g. The serving of water, other than upon request, in eating and drinking establishments, including but not limited to restaurants, hotels, cafes, bars, or other public places where food or drink are served and/or purchased.
- h. Hotels/motels must provide guests with the option of choosing not to have towels and linens laundered daily and prominently display notice of this option.
- i. The use of potable water for irrigation of ornamental turf on public street medians.
- j. The use of potable water for irrigation outside of newly constructed homes and buildings that is not delivered by drip or micro spray systems.
- k. Commercial, industrial, and institutional properties, such as campuses, golf courses, and cemeteries, immediately implement water efficiency measures to reduce potable water use in an amount consistent with the mandated reduction.
- l. Further Reduction in or the complete prohibition of any other use of water declared non-essential, unauthorized, prohibited, or unlawful by an authorized government or regulatory agency or official.
- m. Use of potable water for watering streets with trucks, or other vehicles, except for initial wash-down for construction purposes (if street sweeping is not feasible), or to protect the health and safety of the public.
- n. The outdoor irrigation restriction does not apply to trees or edible vegetation watered solely by drip or microspray systems.

If you need additional information, or a copy of the Advice Letter you may visit GSWC's website at www.gswater.com or call the GSWC's 24-hour Customer Service Center, toll free, at 1-800-999-4033, TTY 1-877-933-9533.

GOLDEN STATE WATER COMPANY

ATTACHMENTS

RESOLUTION NO. 2041

RESOLUTION OF THE BOARD OF DIRECTORS
OF CALLEGUAS MUNICIPAL WATER DISTRICT
DECLARING A STAGE 3 WATER SHORTAGE
AND CALLING FOR IMPLEMENTATION OF
MANDATORY CONSERVATION MEASURES

WHEREAS, Calleguas Municipal Water District (Calleguas or District) is responsible for providing a reliable supply of high-quality, supplemental water to the communities of southeastern Ventura County; and

WHEREAS, Calleguas is reliant upon deliveries of water imported by the Metropolitan Water District of Southern California (Metropolitan) from the California State Water Project (SWP), and is considered a SWP dependent agency within the Metropolitan service area; and

WHEREAS, the State of California has entered a third consecutive year of drought during which annual precipitation, snowpack, and resultant runoff levels have been markedly below that which is needed to both adequately replenish key reservoirs and meet current water demands; and

WHEREAS, in June 2021, Calleguas adopted an Urban Water Management Plan pursuant to the California law, which includes a Water Shortage Contingency Plan (WSCP) that is triggered during Water Shortage conditions and describes staged actions the District may take to manage demand and allocate available supplies; and

WHEREAS, on August 18, 2021, the Board of Directors of Calleguas adopted Resolution 2024 which declared a Stage 2 Water Shortage and called for enhanced water use efficiency efforts; and

WHEREAS, on October 19, 2021, Governor Gavin Newsom proclaimed that a state of emergency exists in all California counties due to severe drought conditions, and called on all local and regional water suppliers to implement WSCPs that are responsive to local conditions; and

WHEREAS, on November 9, 2021, Metropolitan declared that specified drought emergency conditions exist within its service area and called on all member agencies to immediately implement conservation to reduce the use of SWP supplies; and

WHEREAS, on November 17, 2021, the Board of Directors of Calleguas adopted Resolution 2033 which called upon those purveyors receiving water from Calleguas to implement appropriate measures to achieve a 15 percent reduction in demands from 2020 to extend SWP storage reserves; and

WHEREAS, on March 18, 2022, the California Department of Water Resources (DWR) announced that it reduced the calendar year 2022 SWP allocation to five percent, and current projections indicate that the final allocation will remain five percent; and

WHEREAS, DWR has a limited supply of water available for SWP contractors to utilize for Human Health and Safety (HH&S) but that access to HH&S water requires: the contractor to demonstrate robust conservation efforts with mandatory requirements; the repayment of all HH&S water in future years; and future investments to reduce reliance on the SWP to meet HH&S needs; and

WHEREAS, Metropolitan announced that, in light of the five percent SWP allocation, there are insufficient supplies to meet normal demands in SWP dependent areas in calendar year 2022, even with the utilization of HH&S water; and

WHEREAS, Metropolitan is developing an approach to allocate water to its SWP dependent Member Agencies which is expected to be based on DWR's 55 gallons-per-capita-per day (GPCD) indoor water use target, including HH&S water use requirements established by DWR, and will incorporate a water balance target that considers all available potable supplies to serve the population within the SWP dependent areas in calendar year 2022; and

WHEREAS, GPCD potable water use within the Calleguas service area is approximate 175 GPCD, and the initial water balance target for calendar year 2022 proposed by Metropolitan for its SWP dependent areas is 135 GPCD, which represents a water use target reduction of more than 20 percent; and

WHEREAS, on March 28, 2022, Governor Newsom issued Executive Order N-7-22 calling on each urban water supplier that has submitted a WSCP to implement, at a minimum, a Level 2 Water Shortage, and encourages conservation based on a shortage level of up to thirty percent (Level 3 Water Shortage); and

WHEREAS, Calleguas Ordinance 12 codifies rules and regulations for water service, including service during times of Water Shortage.

NOW THEREFORE, IT IS HEREBY RESOLVED that the Board of Directors of Calleguas Municipal Water District, in accordance with its Water Shortage Contingency Plan, hereby declares that a Stage 3 Water Shortage exists in its service area.

BE IT FURTHER RESOLVED that water users within the Calleguas service area should immediately reduce their water use by up to thirty percent and implement feasible water use efficiency measures in an effort to extend stored SWP water supplies and minimize effects associated with prevailing drought conditions. The statewide Save Our Water conservation campaign at saveourwater.com provides simple ways for all water users to reduce water use in their everyday lives.

Res. No. 2041

BE IT FURTHER RESOLVED that, when Metropolitan formally adopts its water allocations for Calleguas, Calleguas will impose appropriate regulations, restrictions, and penalties pursuant to Ordinance 12 and California Water Code §§350 et. seq. and California Water Code §§71640 et seq to implement mandatory actions to further preserve water supplies necessary to meet health and safety water demands.

ADOPTED, SIGNED AND APPROVED this sixth day of April, 2022.

Steve Blois, President
Board of Directors

I HEREBY CERTIFY that the foregoing Resolution was adopted at the regularly scheduled meeting of the Board of Directors of Calleguas Municipal Water District held on April 6, 2022.

ATTEST:

Raul Avila, Secretary
Board of Directors

(SEAL)

RESOLUTION NO. 2042

RESOLUTION OF THE BOARD OF DIRECTORS
OF CALLEGUAS MUNICIPAL WATER DISTRICT
DECLARING A WATER SHORTAGE EMERGENCY CONDITION AND
ADOPTING AN EMERGENCY WATER CONSERVATION PROGRAM

WHEREAS, Calleguas Municipal Water District (“Calleguas” or “District”) is a municipal water district created under the Municipal Water District Law of 1911, Water Code §§ 71000 et. seq., and is responsible for providing a reliable supply of high-quality, supplemental water to the communities of southeastern Ventura County; and

WHEREAS, Calleguas is a member public agency of the Metropolitan Water District of Southern California (“Metropolitan”), is reliant upon deliveries of water imported by Metropolitan from the California State Water Project (“SWP”), and is therefore considered a SWP dependent agency within the Metropolitan service area; and

WHEREAS, the California Department of Water Resources (“DWR”) classified water years 2020 and 2021 as dry and critically dry, respectively, and the three year sequence of water years 2020 - 2022 is projected to be the driest on record in California for statewide precipitation; and

WHEREAS, the adverse effect of drought on SWP resources has been the primary reason for the historic water shortages currently being experienced by Calleguas. SWP allocations in the last three consecutive years have been 20 percent in 2020, 5 percent in 2021, and 5 percent to date for 2022. For the 2021-22 water year, precipitation, northern Sierra snowpack, and resultant runoff are markedly below the levels which are needed to meet water demands for the 2022 calendar year; and

WHEREAS, in June 2021, Calleguas adopted an Urban Water Management Plan (“UWMP”) pursuant to California law, which includes a Water Shortage Contingency Plan (“WSCP”) that is triggered during water shortage conditions and describes staged actions the District may take to manage demand and allocate available supplies; and

WHEREAS, on August 18, 2021, the Board of Directors of Calleguas adopted Resolution No. 2024 which declared a Stage 2 Water Shortage and called for enhanced water use efficiency efforts; and

WHEREAS, on October 19, 2021, Governor Gavin Newsom proclaimed that a state of emergency exists in all California counties due to severe drought conditions, and called on all local and regional water suppliers to implement WSCPs that are responsive to local conditions; and

WHEREAS, on November 9, 2021, Metropolitan declared that specified drought emergency conditions exist within its service area and called on all member agencies to immediately implement conservation to reduce the use of SWP supplies; and

WHEREAS, on November 17, 2021, the Board of Directors of Calleguas adopted Resolution No. 2033 which called upon those purveyors receiving water from Calleguas to implement appropriate measures to achieve a 15 percent reduction in demands from 2020 levels to extend SWP storage reserves; and

WHEREAS, on March 18, 2022, DWR announced that it had reduced the calendar year 2022 SWP allocation to 5 percent, and current projections indicate that the final allocation will remain 5 percent; and

WHEREAS, on March 28, 2022, Governor Newsom issued Executive Order N-7-22 calling on each urban water supplier that has developed a WSCP to implement, at a minimum, response actions for a Water Shortage level of 20 percent (Level 2) and encouraged the activation of more stringent local requirements based on a Water Shortage level of up to 30 percent (Level 3); and

WHEREAS, on April 6, 2022, the Board of Directors of Calleguas adopted Resolution No. 2041 declaring a Stage 3 Water Shortage pursuant to its WSCP; calling for the implementation of mandatory conservation measures; and stating the intent of the District to adopt appropriate regulations, restrictions and penalties for the 2022 calendar year, subsequent to Metropolitan's adoption of same; and

WHEREAS, DWR has provided notice to SWP contractors, including Metropolitan, that DWR is prepared to provide access to a limited supply of water pursuant to SWP contract terms to utilize for Human Health and Safety ("HH&S") subject to the following requirements: SWP contractors must impose mandatory water restrictions on water use consistent with emergency circumstances and any SWP water accessed for HH&S purposes must be returned within 5 years or as wetter conditions return; and

WHEREAS, Metropolitan has insufficient supplies to meet normal demands in its SWP dependent areas in calendar year 2022, even with the utilization of HH&S water; and

WHEREAS, on April 26, 2022, Metropolitan adopted a resolution declaring a water shortage emergency condition and implementing an Emergency Water Conservation Program ("EWCP") in the SWP dependent area, pursuant to Water Code §§350 et. seq., Water Code §§375 et. seq., and other applicable authorities, and that resolution is incorporated herein by this reference; and

WHEREAS, pursuant to Water Code §§350 et. seq., the District is authorized to declare a water shortage emergency condition to prevail within the area served by the District whenever it finds and determines that the ordinary demands and requirements of water consumers cannot be satisfied without depleting the water supply to the extent that there would be insufficient water for human consumption, sanitation, and fire protection; and

WHEREAS, pursuant to Water Code §§375 et. seq., the District is authorized to adopt and enforce a water conservation program to reduce the quantity of water used by those persons within its service area for the purpose of conserving the water supplies of the public entity by ordinance or resolution adopted by a majority of the members of the governing body after holding a public hearing upon notice and making appropriate findings of necessity for the adoption of a water conservation program; and

WHEREAS, pursuant to Water Code §§71640 et. seq., the District may restrict the use of District water during any emergency caused by drought or other threatened or existing water shortage; prohibit the wastage of District water or the use of District water during such periods for any purpose other than household uses or such other restricted uses as the District determines to be necessary; and prohibit use of District water during such periods for specific uses which it finds to be nonessential; and

WHEREAS, Calleguas Ordinance No. 12 codifies rules and regulations for water service, including service during times of a Water Shortage Emergency; and

WHEREAS, Calleguas Ordinance No. 12 authorizes that, in the event reduced water supplies cause Metropolitan to impose water allocations among its member agencies and surcharges for deliveries exceeding those allocations, the Board of Directors may similarly allocate available supplies among District member purveyors and levy any surcharges as deemed appropriate, including those imposed on the District by Metropolitan; and

WHEREAS, the District held a public hearing on April 27, 2022, on the matter of whether the Calleguas Board of Directors should declare that a water shortage emergency condition exists within its service area and adopt an EWCP, the analysis presented at the hearing supports the findings in this resolution, and that analysis is incorporated into this resolution as though set forth in full; and

WHEREAS, notice of said hearing was published in accordance with Government Code §6061 on April 20, 2022, in the Ventura County Star, a newspaper of general circulation printed and published within the County; and

WHEREAS, at said hearing, all persons were given an opportunity to be heard by the Calleguas Board of Directors in accordance with Water Code §351 and Water Code §375; and

WHEREAS, the Calleguas Board of Directors heard and considered public testimony, staff's presentation, information, and other evidence presented at said hearing;

NOW THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF CALLEGUAS MUNICIPAL WATER DISTRICT AS FOLLOWS:

1. A Water Shortage Emergency Condition exists in the Calleguas service area as set forth in Water Code §§350 et. seq. and Water Code §§71640 et. seq.
2. The actions set forth in this Resolution are in accordance with the powers of the District under the Water Code, District Ordinance No. 12, the District's UWMP and WSCP, the Governor's Executive Orders related to the drought, and recent directives from DWR concerning the use of SWP supplies, and are taken in effort to reduce the quantity of water used within the District service area for the purpose of conserving water supplies because ordinary demands and requirements of water consumers cannot be satisfied without depleting water supplies to the extent that there would be insufficient water for human consumption, sanitation, and fire protection.
3. Calleguas hereby adopts an EWCP to reduce non-essential uses of water and preserve available water supplies for the greatest public benefit in the District's service area, which will be implemented in phases. It is the intent of the Board of Directors that the District's EWCP, and its framework, be based upon, consistent with, and pass through the EWCP adopted by Metropolitan on April 26, 2022 and any revisions thereto, including, but not limited to, Metropolitan provisions relating to water use restrictions, enforcement, and penalties for non-compliance.
4. The EWCP includes two paths for purveyors to reduce the use of Metropolitan's SWP supplies and achieve compliance with the EWCP:
 - a. The first path allows a purveyor to restrict outdoor irrigation to one day per week (or its equivalent) beginning June 1, 2022. The Calleguas General Manager is authorized to modify this restriction to ban all non-essential outdoor irrigation or enforce volumetric limits should conditions warrant as the year develops. Purveyors that document adoption and enforcement mechanisms of these restrictions by May 31, 2022 will be deemed compliant with the EWCP. Non-compliant purveyors will face volumetric penalties of \$2,000 per acre-

foot on any water supplied by Metropolitan from the SWP system that exceeds certain monthly allocation limits.

- b. The second path allows a purveyor to comply with monthly allocation limits directly. As described in and consistent with the Metropolitan EWCP, the specific limit for each purveyor is based on an allocated share of the HH&S water provided by DWR and certain additional SWP supplies delivered through the SWP system. Purveyors that meet these limits will be deemed compliant with the EWCP. Non-compliant purveyors will face volumetric penalties of \$2,000 per acre-foot on any water supplied by Metropolitan from the SWP system that exceeds certain monthly allocation limits.
5. The EWCP is effective immediately upon adoption of this Resolution and penalties for non-compliance shall be assessed beginning June 1, 2022. Penalties under the EWCP will only be applied to Metropolitan supplies delivered from the SWP system. Volumetric penalties would accrue and be billed monthly. A purveyor can avoid penalties for non-compliance if it takes, and can demonstrate, sufficient action to eliminate its use of Metropolitan supplies at its designated connections to Calleguas.
6. The General Manager is authorized to implement, amend, and augment the terms of the EWCP to make it conform to and/or reconcile with the EWCP adopted by Metropolitan and any revisions and/or modifications of the Metropolitan EWCP. This includes, but is not limited to, establishing equivalent methods for compliance and/or implementing any exceptions and/or exemptions to the EWCP.
7. The General Manager will report regularly to the Board on the effectiveness of the EWCP and inform the Board and purveyors of any need to implement modified and/or more stringent conservation requirements.
8. Calleguas hereby expresses support for the Governor's Executive Order N-7-22 and calls on all purveyors classified as urban water suppliers to reduce water use by 20-30 percent depending on local conditions.
9. Calleguas hereby calls on all of its purveyors to make all possible changes in their operations to reduce their use of Metropolitan's SWP supplies and to immediately mandate and implement such conservation requirements, water use efficiency measures, and drought-related limitations consistent with their WSCP's and substantively conforming to the EWCP.

ADOPTED, SIGNED AND APPROVED this twenty-seventh day of April, 2022.



Steve Blois, President
Board of Directors

I HEREBY CERTIFY that the foregoing Resolution was adopted at the regularly scheduled meeting of the Board of Directors of Calleguas Municipal Water District held on April 27, 2022.

ATTEST:



Raul Avila, Secretary
Board of Directors

(SEAL)

GOLDEN STATE WATER COMPANY

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