



February 6, 2020

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c/o Ms. Nancy Vogel, Director of Governor's Water Resiliency Plan
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Dear Secretaries Blumenfeld, Crowfoot, and Ross:

SUBJECT: Joint Comments on Governor Gavin Newsom's Draft Resiliency Portfolio

The California Association of Mutual Water Companies ("CalMutuals") and the Community Water Systems Alliance ("CWSA") appreciate this opportunity to provide comments on Governor Gavin Newsom's draft Water Resilience Portfolio. Combined, CalMutuals and CWSA represent over 300 water supply systems that are either small (under 3,000 connections) and/or serving disadvantaged communities throughout California. Overlooked by larger water associations and not-for-profit advocacy groups, CWSA's organizing theme is "larger water systems helping smaller ones." CalMutuals' larger mutual water companies and CWSA's special district members serving disadvantaged communities in the state combined resources to empower CalMutuals' smaller members and elected officials from disadvantaged communities to speak on behalf of the persons who elected them to manage local water resources.

Mutual water companies are not-for-profit community-owned utilities, many with water rights originating with California's statehood – all but 36 of CalMutual's members have

under 500 service connections. CWSA members are county water districts, community services districts and special act agencies that serve disadvantaged communities.

We believe that the draft resiliency portfolio represents a comprehensive road map for progress on numerous fronts to achieve water supply reliability throughout our state. We hope that the final document will seize the moment and also define the fundamentals of what it means to achieve “Resiliency.”

In our review of the portfolio, we noticed that the document does not contain a specific definition of “Resilience” as applied to water suppliers or water supply planning. Water planning documents since the 1990’s organized around the theme of “Reliability.” Subsequent urban water management and integrated water resources plans further defined the term “Reliability” to mean the number of years that water supplies would be available during droughts. SB221 and SB610, for example, also require that new developments secure sufficient supplies of water for twenty (20) years. Regional water suppliers set targets for storing enough water to meet demand during a three (3) to a ten (10) year drought. Water recycling and desalination projects were developed in various parts of the state as sources of “new supply” to meet reliability targets. In some parts of the state, such as in Santa Clara County, and the Coastal Plain of Southern California from Ventura to San Diego, the accomplishment of “reliability” has reached historical levels. Notwithstanding these achievements, what does “resiliency” mean in the context of improved water supply planning? Unfortunately, the draft portfolio does not answer that question.

In short, a policy defining the meaning of “resiliency” can take water supply planning to the next level. We respect the right of larger and wealthier water suppliers to define “resilience” as simply *more* reliability. However, if “resiliency” is to be anything other than a slogan, a policy must be developed that accomplishes the following:

- Resiliency should mean that “no one gets left behind.” This means that success or failure is to be rated by the vulnerability of the smallest water systems in terms of size and wealth. A city, region, or state where the smallest water systems are failing to meet water supply demands, water quality standards, and need for affordability is not resilient.
- Resiliency of California’s water system is for people. The success of the smallest water suppliers thus benefits everyone in the state because of the mobility of the state’s population and the need for safe drinking water regardless of where one may be at any given time in California, and/or where one chooses to live.
- Resiliency accounts for affordability. The state regulatory process for safe drinking water and for assuring system integrity must be aligned with available affordable technologies; must provide for regulatory implementation guidelines that take

advantage of economies of scale afforded by larger water supply systems; and must provide for the efficient readiness and distribution of state funding and technical resources to help those that will otherwise be left behind to fail.

The Resiliency Portfolio can serve to set a new benchmark for addressing factors that are systematically overlooked in the development of “reliability.” For example, in developing regional reliability, agencies such as the Metropolitan Water District of Southern California (MWD) theoretically assume that everyone benefits from incentives for water recycling and other supply development programs, even in places that are not directly served by such projects. In practice this is not the case. For example, the Pico Water District in the city of Pico Rivera faces the loss of their wells given that their groundwater supplies may exceed California’s about-to-be revised Response Level (RL) for perfluoro octane sulfonate (PFOS) and perfluoro octanoic acid (PFOA). While Pico Rivera is in the MWD service area, in Los Angeles County, they have no connections that would allow for replacement of their affected supplies with MWD water. Pico Water District, a member of CWSA, and the City of Pico Rivera serve a disadvantaged community. The cost of replacing their wells with imported water from MWD would rival the cost of building a treatment plant that the community does not have the resources to accomplish. This scenario is repeated throughout the state of California, and the means for addressing it under a system emphasizing “reliability” are highly limited.

Instead, resiliency under the Portfolio should be applied to mean that *no community gets left behind in meeting the human right to safe drinking water*, under a wide spectrum of circumstances that includes natural disasters and unexpected contaminants, as well as poverty and being in remote locations. That would allow more remedies to be available. Given the limited ten (10) year horizon for implementation of SB200 (Monning), there are other mechanisms that can become real long-term options with the definition of Resiliency as policy. SB200 established the Safe Drinking Water Fund to help chronically underperforming water systems, mostly in disadvantaged communities for the next 10 years. The State Water Board’s Human Right to Water database lists approximately 300 water systems as chronically failing to provide safe drinking water, and many of those systems will be addressed with the fund. One of the shortcomings of SB200 cited by the state Legislative Analyst in 2019, is that new regulations and potential discovery of new drinking water contamination sources, will bring about unanticipated drinking water compliance challenges for small water systems that may cost the state \$50M to \$150M to address annually. We are already witnessing this with PFAS and PFOA.

This issue gives rise to a looming “race to the bottom” with respect to non-compliant water systems. This issue can be addressed by defining the term “Resiliency” and

setting targets that can be achieved on a regional and eventually, a statewide basis. It could also further clarify the role of state agencies as they process regional planning reviews, and “place meat on the bones” of the Human Right to Water law adopted by the State in 2012.

Again, we want to thank the Newsom administration for aggregating all the regional efforts being made to achieve water supply reliability, into a single plan with a vision of Resiliency. We agree with the Governor’s vision of emphasizing the human right to water and addressing those in need of safe drinking water. But to limit that vision to “reliability-plus” would be wasting an opportunity to use the strongest areas of our state to achieving the next level resiliency where failure for even the smallest water supplier and the poorest, is a failure of resiliency for everyone.

Sincerely yours,

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