Electronic Transmittal

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Governor's 20X2020 Conservation Team

Dear 20X2020 Team Co-Chairs and Members:

I am writing on behalf of my clients, the Tuolumne Utilities District, and providing comments on your "Public Draft Technical Memorandum, Task 1 Establishing a Baseline and Task 2 Determining Conservation Targets" dated 9/5/08.

Tuolumne Utilities District is a County Water District organized and existing under Division 12 §3000 - §32554 of the California Water Code. The Tuolumne Utilities District boundaries include the northerly portion of Tuolumne County's 1,456,000 acres. The District is bounded on the north by the North Fork of the Stanislaus River and on the South by the Tuolumne River and Yosemite National Park, on the east by Alpine County and on the west by Stanislaus County. The total area within the District Boundaries is approximately 768,000 acres.

Tuolumne Utility District is the owner and operator of the Tuolumne Water System which receives water from the Pacific Gas and Electric (P.G. & E) owned Main Conveyance Canal which diverts water for beneficial use from P.G. & E's Lyons Dam on the South Fork of the Stanislaus River.

Tuolumne Utility District (TUD) has a conveyance system of approximately 56 miles of water supply canals, ditches and wooden flumes along with 300 miles of distribution piping. The TUD system provides treated water to approximately 13,000 municipal customers as well as raw untreated water for agricultural and other uses. TUD also owns and operates a regional wastewater collection, treatment and reclamation system which provides sewer service to a large portion of the District's service area. Nearly 100% of District wastewater is recycled and used to irrigate agricultural lands in western Tuolumne County.

The District's service area population is approximately 53,600 people. It must be noted however, that Tuolumne County is a heavily recreated area and during the summer months particularly the actual service population is higher.

The District's water sources are; 1) surface water from the South Fork of the Stanislaus River, 2) limited groundwater and 3) recycled water. The surface water supply

represents approximately 98% of the District's total supply. Groundwater supplies in the County are severely limited due to the hard, impermeable bedrock that covers the County and the lack of any groundwater basin (see Dept. of Water Resources, Bulletin 118 - 2003, Groundwater Basins in California).

We wish to offer comments on the two technical memorandums in the sincere hope that this process will lead to reasonable, fact based, useful, efficient use of water resources in California. Within that context please consider the following points:

1. All water savings through conservation or other water use efficiency measures must accrue to the water agency and not be subject to additional public trust evaluations and/or reservations.

2. All water use baseline and efficiency measurements should be carried out, voluntarily by the water agency. There should be no mandatory reporting of baseline information or water use efficiency information.

3. Baseline water use is best measured in a systemwide fashion rather than on assumed end user models. That is, the water agency should be able to provide information which indicates the total water used from conveyance through end user, and it would be upon that amount that new systemwide efficiencies should be targeted.

4. Water pricing is a local decision based upon many complex and unique circumstances too numerous to cite here. Water pricing should not be included in this process. In addition, the State Constitution at Article 13D may prohibit arbitrary water pricing schedules which are established at punitive levels to discourage water waste.

Establishing a baseline -

System Efficiency is the best metric

We strongly disagree with your statement regarding program scope on Page 2 of the Technical Memorandum (TM), Task 1 -Establishing a Baseline, "This program is also focused solely on the urban demand of potable water."

We do not believe that the best approach to achieving a 20% reduction in urban water use is to <u>limit</u> the application of conservation targets to per capita measurements in the fashion you have. You have failed to provide for the potential to measure and receive credit for water providers making significant improvements in raw water conveyance systems.

This is an especially critical matter in west slope Sierra areas (Mountain Counties Region Area, DWR State Water Plan, Bulletin 160-05) which have extensive small raw water delivery systems (we define a Small Raw Water Delivery System as one which delivers raw water for both later treatment for municipal use as well as for use as raw water for irrigation purposes and is composed of ditches and canals any one of which has the capacity to convey water by gravity flow).

These raw water systems have been present on the landscape for well over 125 years and some even longer. They evolved from providing early gold mining camps and "diggings" with water to now serving 21st century communities and significant recreational areas. They also continue to provide irrigation water to foothill orchards, vineyards and pastures. Deliveries of raw water, simultaneously to agricultural raw water users and for municipal (treated) use offers challenges unique to the Region's history and water systems.

These conveyance systems are composed of open, earthen ditches and wooden flumes which unfortunately have "losses" of 25 - 50% of all water diverted into those systems. There are solutions to improving those systems and a number of the water districts in the Mountain Counties Region are working as an Ad-Hoc Committee (Small Raw Water Optimization) along with the California Urban Water Conservation Council and others to develop methods to achieve additional water savings in a multiple resource beneficial manner.

Without the development of a credit for raw water conveyance efficiencies, water conservation efforts may be hampered by significant raw water system losses and an increasingly "hard" end user base of use.

We strongly urge the Team to consider that within the Mountain Counties Region there are significant unique circumstances surrounding these raw water conveyance systems that they should be incorporated into the water conservation savings opportunities.

There are numerous engineering tools available for increasing the efficiency of the Tuolumne Utility District raw water conveyance system. Those tools could (again, based on a beneficial multi-resource based outcome) include; lining, piping, partial lining or piping, dedicated outlets in lined or piped sections for defined beneficial uses, improved measurement devices, and reservoirs for re-regulation of flows for pressurized delivery of water.

There is significant effort going into evaluation and planning for improving the efficiency of these raw water conveyance systems and the 20 x 2020 Team should allow

for those efforts to be included as water conservation savings in any accounting methodology.

Population Data and Regional Characteristics

With reference to this subject as raised on page 8 of the TM, Task 1, please note that there are emerging Integrated Regional Water Management Programs including plans and projects, which are functional regions and could be the best source of updated, accurate information. Many IRWM Programs have local government participation and land use/population data in those venues is probably significantly superior to D.O.F. models or estimates. Further, IRWMs are, in most cases, being formed based on watershed boundaries and functionally can provide excellent data relative to the 2020 program over the long-term. This could help the Team move away from GPCD estimates and more towards GPCD data which is locally collected, monitored and reported out by IRWM region.

Page 11 notes that "All residents of a region are customers of water purveyors of that region and that there is not private water supplier. It was further noted assumed that the population is confined within a single hydrologic region."

Please note that in terms of actual water use within the state this statement is incorrect. Significant interregional water projects move vast amounts of water from one region to another, serving tens of millions of people. At some point the notion of "water conservation" and the implications to interregional (external to the watershed) projects will have to be explored.

Page 12 alleges that multifamily residential (MFR) units have no outdoor per capita water use. This is inaccurate within our service area. In Tuolumne County, as an example, all MFR developments must have at least 15% of gross land area developed as recreational and landscaped areas which are irrigated with treated water. Thus, there is a baseline commitment of 15% of all gross acreage in MFR lands for lands subject to irrigation for the benefit of the MFR residents.

Additionally, you have characterized a general distribution of Single Family Residential (SFR) to Multi Family Residential (MFR) of 70% and 30% respectfully. That ratio is incorrect for Tuolumne County. The ratio is closer to 90% to 10%.

Page 12 does not recognize, in it's description of "...unaccounted for water..." the importance of raw water delivery conveyance systems. Please rectify.

Page 30 describes the San Joaquin River Hydrologic Region. Unfortunately, it fails to capture the unique attributes of the Mountain Counties Region and instead folds that area in with areas uniquely different such as west side San Joaquin CVP export areas. The notion that water agencies and users in upstream, west slope Sierra Nevada watersheds share common similarities to west side San Joaquin export water users is invalid. Additionally, there is little commonality between those Mountain Counties areas and the water users on the valley floor. It is going to be an untenable situation if the 2020 Team embraces a regional allocation process in the face of significant and important regional differences between the identified regions and the Mountain Counties Region as described in Bulletin 160-05.

Appendix B, Page 1, please reference earlier statement regarding MFR outdoor water use. Ditto on page 4.

TM, Task 2 - Determining Conservation Targets

Page 2 - We agree that the proposed regional (conservation) targets may not translate well into targets for individual water suppliers. We also agree regarding your statement regarding substantial differences between water users within the same region. We urge the Team to utilize information gathered from water agencies such as the TUD, which illustrate specific unique circumstances, and incorporate them into your efforts.

Page 5 - We agree with the premise of "balanced targets" and the utilization of efforts of some regions to compensate other regions thereby still maintaining a statewide 20% conservation target, while not unduly loading one or more regions with excessive objectives.

Page 6 - We agree with your recognition that there may be quantifiable data that may be obtained from other sources (IRWM programs, water agencies, etc.) and we urge you to incorporate such information as it becomes available to make the 20 X 2020 objectives as reality based as possible.

Page 8 - We note that you refer to "...final GPCD targets..." in the first public draft of this TM. We urge you to refer to these as "draft" or "interim" GPCD targets.

Page 16, Feasibility of Achieving the Targets - We believe that achieving the conservation targets will be difficult for the TUD, but only because the Team has taken raw water conveyance savings measures off the table. We urge you to put those measures back into the baseline as suggested earlier.

We thank you for the opportunity to comment on the 20 X 2020 Team process and hope to be involved throughout the remainder of this effort. We at Tuolumne Utilities District have been and continue to be committed to an effective water conservation program as a valuable water resource management strategy. We will continue to pursue conservation efforts that benefit our customers, the communities, the economy and the environment of Tuolumne County.

Sincerely,

John S. Mills