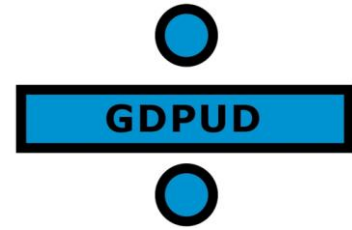


**REPORT TO THE BOARD OF DIRECTORS
BOARD MEETING OF JUNE 14th, 2022
AGENDA ITEM NO. 9.A.**



AGENDA SECTION: NEW BUSINESS

**SUBJECT: PRESENTATION ON ENERGY MANAGEMENT BY
TERRAVERDE ENERGY**

PREPARED BY: Adam Coyan, General Manager

APPROVED BY: Adam Coyan, General Manager

BACKGROUND

The District's annual expense for power is just under \$200,000, which is primarily for power usage at the two treatment plans and the administrative office building.

DISCUSSION

At President Saunder's request, TerraVerde Energy was invited to present solar and battery project opportunities for the District that could offset peak power charges and result in savings for the District in the long term.

FISCAL IMPACT

Staff is awaiting direction from the Board to determine fiscal impact.

RECOMMENDED ACTION

It is Staff's recommendation that the Board receive the presentation by TerraVerde Energy and provide Staff direction.

ALTERNATIVES

To not pursue solar and battery projects at this time.

ATTACHMENTS

1. TerraVerde Power Point Presentation

Board Meeting of June 14, 2022

AGENDA ITEM 9A

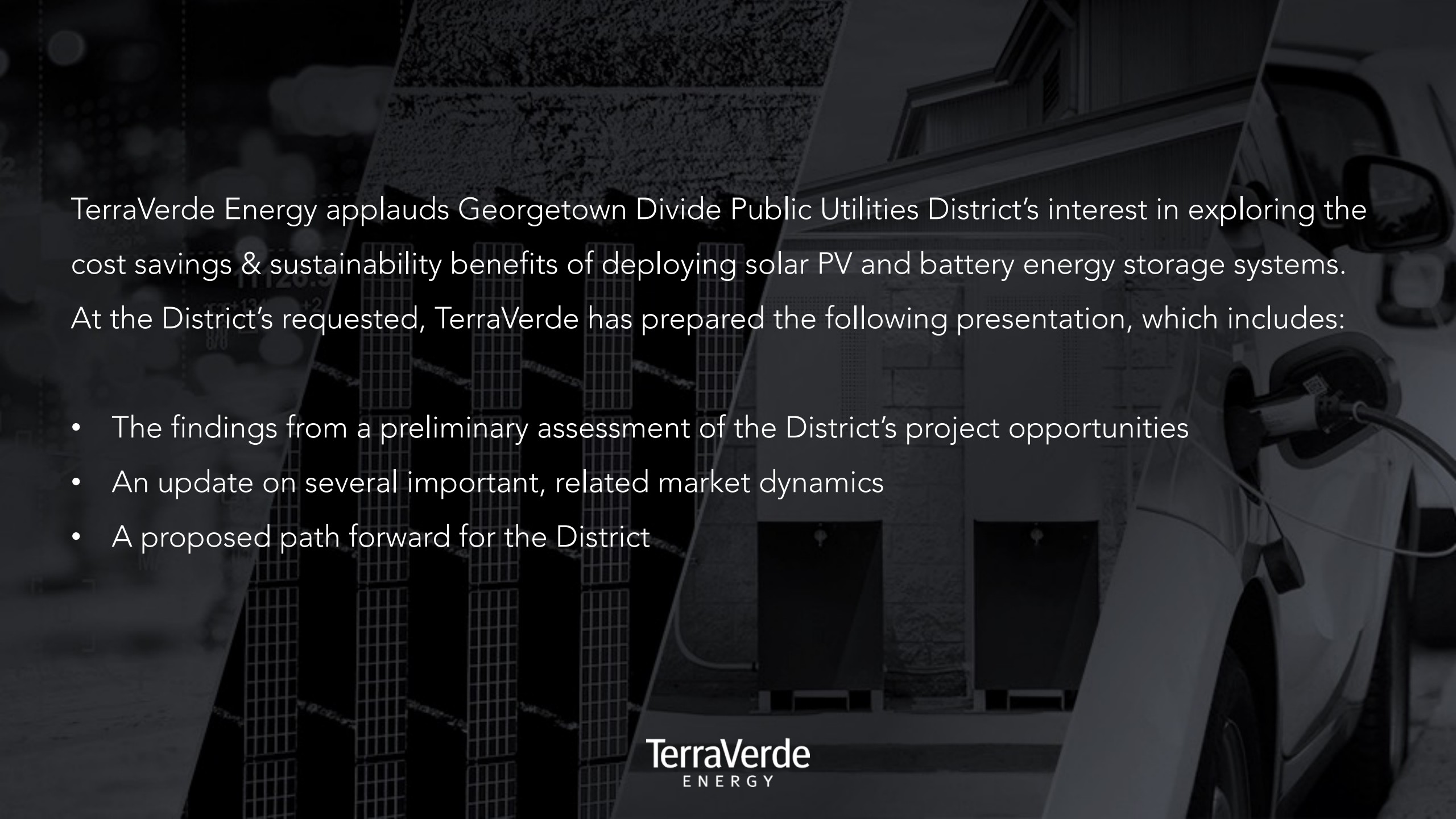
Attachment 2

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1878
+2

TerraVerde
ENERGY

SOLAR PV & BATTERY PROJECT OPPORTUNITIES

Prepared for Georgetown Divide PUD | 6.14.2022



TerraVerde Energy applauds Georgetown Divide Public Utilities District's interest in exploring the cost savings & sustainability benefits of deploying solar PV and battery energy storage systems. At the District's requested, TerraVerde has prepared the following presentation, which includes:

- The findings from a preliminary assessment of the District's project opportunities
- An update on several important, related market dynamics
- A proposed path forward for the District

ABOUT TERRAVERDE ENERGY

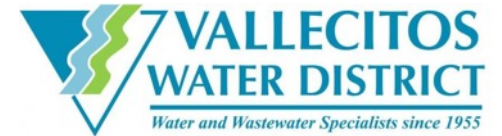


TerraVerde Energy is an independent consulting firm proudly supporting ACWA Members since 2009 with solar, battery, and energy resiliency projects

\$500 MILLION
in projects developed

150 MEGAWATTS
in projects deployed

\$50 MILLION
in savings delivered



TerraVerde
ENERGY



2

3.7% 41%
2019

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878

+2

THE DISTRICT'S SOLAR & BATTERY PROJECT OPPORTUNITIES

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ENERGY

GDPUD'S SOLAR & BATTERY PROJECT OPPORTUNITIES

Based on a preliminary review of the District's PG&E billing and usage information, along with potential project sites, TerraVerde has identified the following potential project opportunities:

Site	Solar Size kW	Battery Size kW	Assumed Project Procurement Method
3650 Sweetwater Trail, Cool	354	170	PPA
8100 Balderston Rd., Georgetown	105	61	Cash Purchase
6425 Main St., Georgetown, CA 95634	20	0	Cash Purchase

PROJECT SITE | 3650 Sweetwater Trail, Cool, CA 95614

SAID	Rate	Annual kWh Usage	Historical Max Demand	Estimated Solar kW	Estimated Battery kW	Estimated Battery kWh
962938645	HB19S	625444	170	354	170	680



PROJECT SITE | 8100 Balderston Rd., Georgetown, CA 95634

SAID	Rate	Annual kWh Usage	Historical Max Demand	Estimated Solar kW	Estimated Battery kW	Estimated Battery kWh
7726615142	HB10S	625444	184959	105	61	244



PROJECT SITE | 6425 Main St., Georgetown, CA 95634

SAIDs	Rate	Annual kWh Usage	Estimated Solar kW
2060545376, 2102211960	HB1	34967	20





2
-0.7% -41"
Jan 2019

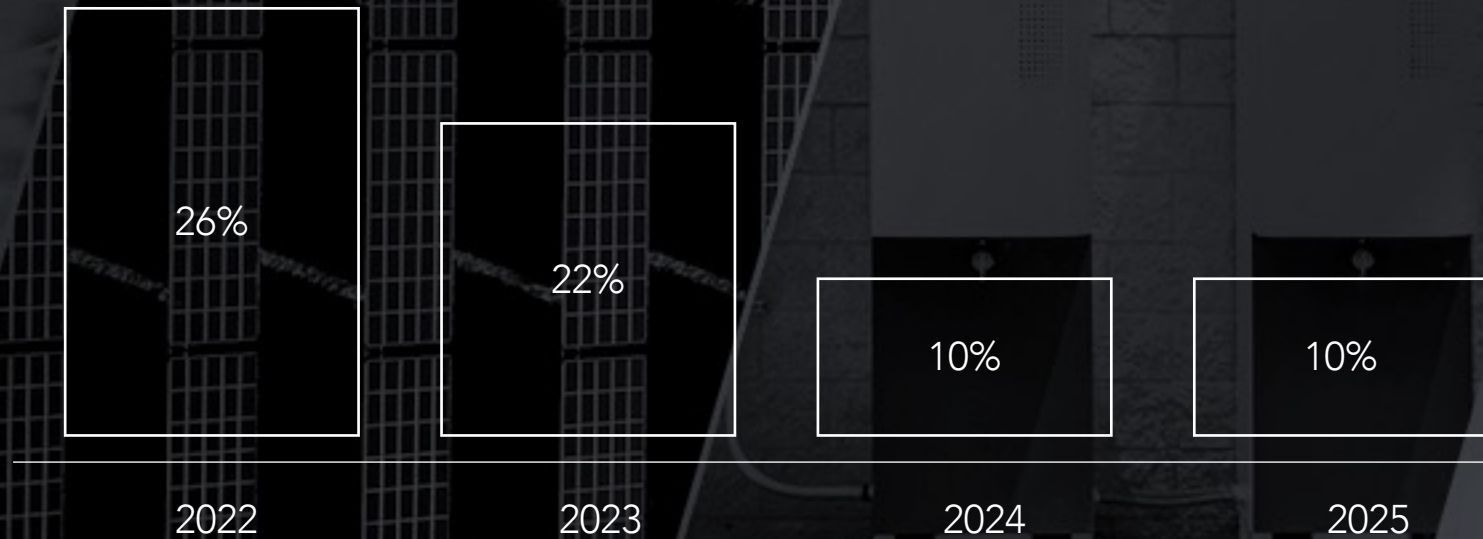
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IMPORTANT MARKET UPDATES

TerraVerde
ENERGY

TAX CREDITS ARE STEPPING DOWN IN VALUE

- The Federal Investment Tax Credit (ITC) is currently set at 26% of the total project costs
- Stand-alone solar projects and new solar + battery projects qualify for the ITC
- Private third-party project owners can claim the ITC and share its value (reduced project cost) in the form of lower PPA rates
- ITC value will begin **stepping down annually** (based on when projects commence construction)



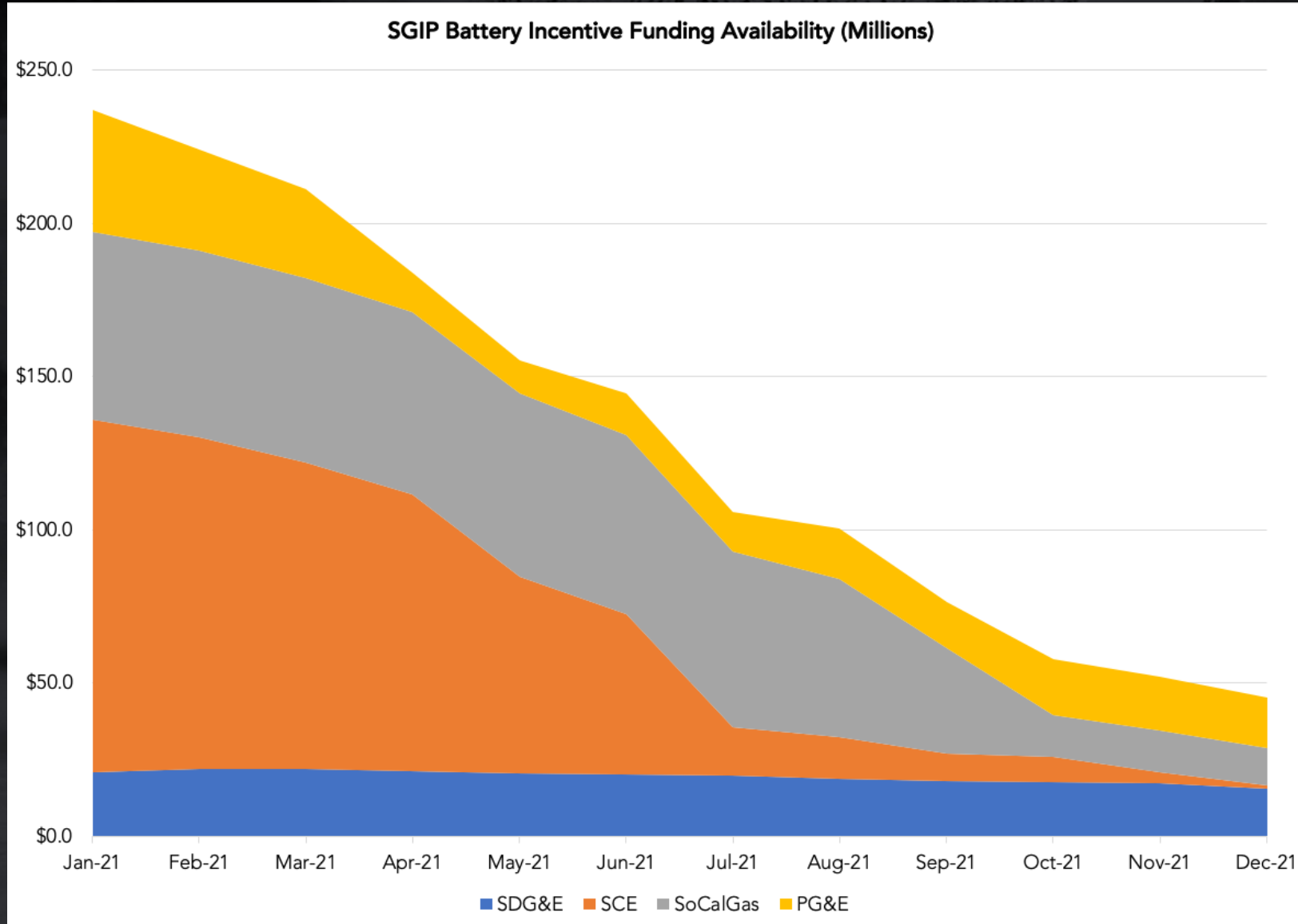
RICH SGIP BATTERY INCENTIVES ARE AVAILABLE

- Batteries can provide tremendous energy cost savings benefits.
- When paired with solar & proper controls, batteries can also provide backup power.
- California's Self-Generation Incentive Program provides a rebate for battery energy storage projects
- SGIP incentive covers between ~30-50% of the cost of the battery

Example Projection of 15-year anticipated financials for batteries deployed at 3 facilities in Southern California.

Utility Savings	\$3,323,927
Initial Project Cost	(\$2,436,584)
Operating Expenses	(\$240,649)
SGIP Incentive	\$1,192,800
Net Benefit	\$1,839,494
Years to Payback	7
Project IRR	10.3%

FUNDING IN THE SGIP PROGRAM IS GOING FAST



Last year we saw available funding in this program drop from \$250 million to \$50 million Statewide

FUNDING IN THE SGIP PROGRAM IS GOING FAST

Available funding remaining varies from \$0 to \$18 million across the various Investor-Owned Utility regions.

Teams that are interested in deploying batteries to reduce costs and increase resiliency should submit their SGIP Incentive Applications swiftly, while the funding is still available.

SGIP BATTERY FUNDING REMAINING

SGIP Battery Funding Remaining (Millions)	Available As Of 6/1/2022	Difference Over Past 6 Months
SDG&E	\$11.6	(\$5.8)
SCE	\$0	(\$3.5)
SoCalGas	\$3.9	(\$9.7)
PG&E	\$14	\$0.8

CALIFORNIA'S NEM PROGRAM IS CHANGING

- Net Energy Metering (NEM) is the tariff which requires California's Investor-Owned Utilities to provide bill credits to electricity customers that export electricity to the grid.
- On December 13, 2021, the CPUC proposed massive changes to the NEM program, including (among other things)
 - For New Projects: a substantial discount to the value of exported electricity
 - For Existing NEM 1.0 & NEM 2.0 Projects: a reduced 15-Year period for access to these legacy tariffs
- We recently published a case study to show the impacts of the proposed decision. We evaluated a solar + battery project portfolio that we recently developed on behalf of one our clients. This project included 4 solar projects and 1 solar + battery project deployed under a power purchase agreement in PG&E's service territory.

IMPLICATIONS OF REDUCED EXPORT CREDIT VALUES

To understand the implications of the proposed reduced export credit values, we compared the expected savings in year-1 under the current NEM 2.0 tariff vs. the new proposed tariff. The following tables show the difference in expected savings:

Site	Project Description	Year-1 Savings NEM 2.0 vs. Proposed Decision
1	NEM Solar	(\$14,876)
2	NEM-A Solar	(\$17,032)
3	NEM Solar	(\$19,693)
4	NEM Solar	(\$14,508)
5	NEM Solar + Battery	(\$36,062)

Scenario	Total Combined Year-1 Savings
NEM 2.0	\$45,162
Proposed Decision	(\$57,009)
Difference	(\$102,171)

IMPLICATIONS OF REDUCED ACCESS TO LEGACY TARIFFS

To understand the implications of the reduced 15-year access to legacy tariffs, we compared the expected savings over a 20-year period for this solar + battery project portfolio under the current NEM 2.0 tariff vs. the new proposed tariff. When factoring in the limited 15-year access to the legacy NEM 2.0 tariff, the expected outcome is a \$773,824 loss in savings (or increase in electricity costs).

Site	20-Year Benefits (NEM 2.0)	20-Year Benefits (Proposed Decision)	Loss In Savings / Increase In Electricity Costs
1	\$630,520	\$517,557	(\$112,963)
2	\$323,326	\$193,988	(\$129,339)
3	\$760,923	\$611,378	(\$149,544)
4	\$329,829	\$219,662	(\$110,167)
5	\$1,276,905	\$1,005,093	(\$271,812)
Totals	\$3,321,503	\$2,547,678	(\$773,824)

THE WINDOW IS EXPECTED TO CLOSE SOON FOR NEM 2.0

Proceedings are expected to result in Final Decision by August, with an expected NEM 2.0 sunset for new projects coming as early as December of this year. Teams that are exploring potential new projects should move swiftly to submit interconnection applications and secure the current NEM 2.0 tariff while it is still available.

Milestone	Date
Current Comment Period Closes	June 24, 2022
Expected Final Decision	August 4, 2022
Expected NEM 2.0 Sunset for New Projects	December 2, 2022

For the latest on NEM and other market updates, visit: [TerraVerde.Energy/News-And-Insights](https://www.terraverde.energy/news-and-insights)

In light of these rapidly shifting market dynamics, TerraVerde is pleased to offer a suite of Fast-Track Project Consulting Services to identify opportunities, confirm project feasibility, and submit interconnection & incentive applications while current programs and funding are still available.

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NEM 2 FAST-TRACK PROJECT CONSULTING SERVICES

FEASIBILITY ASSESSMENT

TerraVerde Energy will evaluate your historical electricity usage & billing information, evaluate potential project sites, determine optimal solar and battery equipment sizing & layouts, present findings including cash flow pro forma.

INTERCONNECTION APPLICATION SUBMITTAL

At the client's request to proceed, TerraVerde will prepare and submit interconnection applications to the electric utility to secure the current NEM 2.0 tariff while it is still available.

SGIP BATTERY INCENTIVE APPLICATION SUBMITTAL

At the client's request to proceed, TerraVerde will prepare and submit SGIP battery incentive applications to the Program Administrator to secure the incentives while funding is still available.

NEM 2 FAST-TRACK PROJECT CONSULTING SERVICES

Fees	Amount
Mobilization Fee	\$5,000
Feasibility Assessment Fee	\$10,000 per project site/facility
Interconnection Application Submittal Fee	\$5,000 per interconnection application
SGIP Battery Incentive Application Submittal Fee	\$5,000 per incentive application



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3.7% 41%
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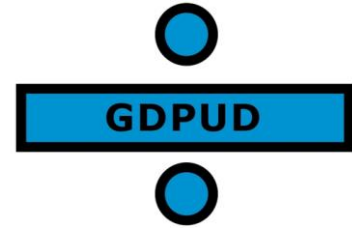
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TerraVerde

ENERGY

David Burdick | Executive Vice President
david@terraverde.energy | 415.272.1014

**REPORT TO THE BOARD OF DIRECTORS
BOARD MEETING OF JUNE 14, 2022
AGENDA ITEM NO. 9.B.**



AGENDA SECTION: NEW BUSINESS

**SUBJECT: RECEIVE DROUGHT UPDATE AND REPORT ON SWRCB
EMERGENCY WATER CONSERVATION REGULATION AND
CONSIDER IMPLEMENTING A WATER WARNING FOR THE
DISTRICT**

PREPARED BY: Adam Brown, Operations Manager

APPROVED BY: Adam Coyan, General Manager

BACKGROUND

In recent years Western States have experienced drought conditions. The State of California first declared a drought emergency on April 12, 2021, that was subsequently extended May 10, July 8 and October 19, 2021. The most recent drought monitor for California is included as Attachment 1.

As a result of ongoing drought conditions, on March 28, 2022, Executive Order N-7-22 (EO) was issued requiring the State Water Resource Control Board (SWRCB) to consider adopting emergency regulations. The EO is included as Attachment 2.

On May 24, 2022, the SWRCB adopted emergency water conservation regulation which is included as Attachment 3. It is anticipated that the emergency regulation will take effect by June 16, 2022.

DISCUSSION

At the April 2022, Georgetown Divide Public Utility District's (the District) Board of Directors regular meeting Resolution 2022-24 was adopted proclaiming a normal water season. This decision was based on water planning guidelines detailed in the 2020 Urban Water Management Plan¹ (UWMP) and Water Shortage Contingency Plan (WSCP). The aforementioned orders and regulations utilize the UWMP guidelines and WSCP shortage levels to enact water conservation methods. Specifically, the regulation is for the District to execute Level 2 of the WSCP. In an effort to allow for individual purveyors to follow guidelines developed in each unique UWMP and WSCP and not the state-wide regulation approach, the District

¹ <https://www.gd-pud.org/2020-urban-water-management-plan>

unsuccessfully join various agencies that submitted a protest correspondence to the SWRCB. The correspondence is included as Attachment 4.

Based on the regulation the District is required to prepare for Level 2 water conservation methods. Level 2 water conservation mitigation methods are defined to reduce overall demand by 20-percent by implementing actions outlined in Tables 8-2 and 8-3 in the UWMP. Tables are included as Attachment 5. A 20-percent reduction in demand would result in a savings of approximately 1,000 acre-feet (ac-ft) of raw water and 300 (ac-ft) of potable water. As outlined in Tables 8-2 and 8-3 the demand reduction would be achieved by:

1. Shorten irrigation season by one month;
2. Decrease line flushing;
3. Enforce water waste portion of District Ordinance 84-6 that would include; prohibit runoff, automatic hose shutoffs, repair leaks in a timely manner and limit landscape irrigation;
4. Enact public information campaign;
5. Offer water surveys;
6. Improve customer billing; and
7. Commercial establishment restrictions.

The actions listed above have various degree of difficulty to achieve. While a 20-percent reduction in raw water is relatively simple to achieve similar 20-percent reduction in potable water is significantly more difficult. In an effort to achieve the 20-percent water conservation target the District will develop and coordinate the following:

1. Develop a web page dedicated to water conservation. The web page will detail all information associated with implementation of Level 2 restrictions;
2. Continue to actively promote Water Smart customer portal that allows customer to view water use data;
3. Utilize available customer engagement tools to educate about water conservation goals including; water smart customer portal, mail chimp email service, District press releases and newsletters. All customer engagement will be available on the District's webpage; and
4. Update customer bills to allow for Gallons per Day (GPD) usage and water smart customer portal sign up information.

District will be monitoring water conservation mitigation methods continuously. Monthly reports will be developed and summarized at regular board meetings during the emergency regulation period which is scheduled to last for one year.

FISCAL IMPACT

If conservation requirements are met the District could expect a 20-percent reduction in consumption revenue. Raw water revenue would decrease by approximately \$80,000 and treated water revenue would decrease by approximately \$165,000.

RECOMMENDED ACTION

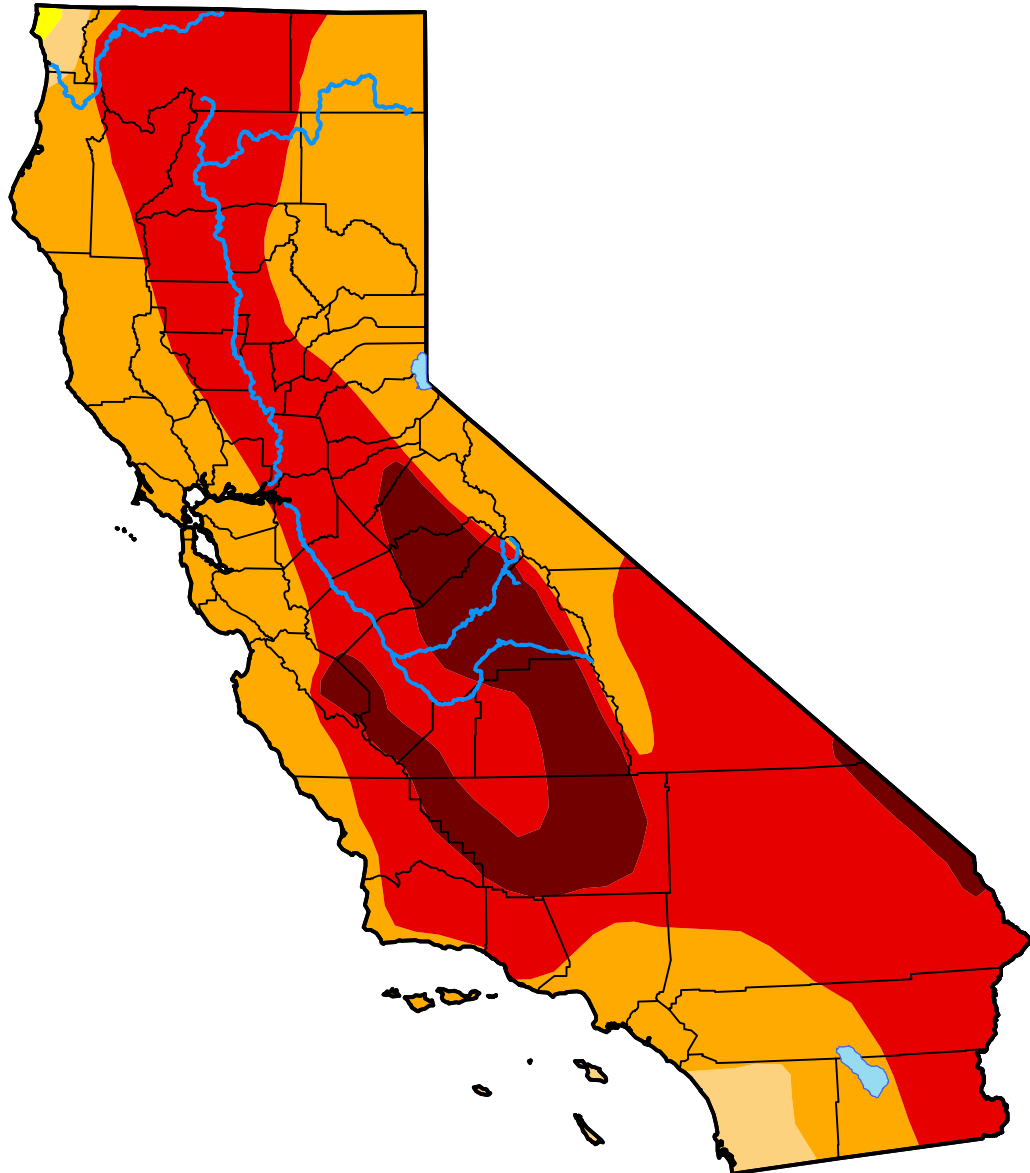
Staff recommends that the Board review Level 2 action plan and provide input as necessary. Adoption of Level 2 drought resolution is included as Attachment 6.

ATTACHMENTS







1. California Drought Monitor
2. March 2022 Executive Order
3. California Water Boards – Media Release
4. Stress Test Coalition Correspondence
5. UWMP Supply and Demand Reduction Tables
6. Resolution 2022-XX

U.S. Drought Monitor California

May 31, 2022
(Released Thursday, Jun. 2, 2022)
Valid 8 a.m. EDT



Intensity:

-  None
-  D0 Abnormally Dry
-  D1 Moderate Drought
-  D2 Severe Drought
-  D3 Extreme Drought
-  D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

Author:

Curtis Riganti
National Drought Mitigation Center



droughtmonitor.unl.edu

EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA

EXECUTIVE ORDER N-7-22

WHEREAS on April 12, 2021, May 10, 2021, July 8, 2021, and October 19, 2021, I proclaimed states of emergency that continue today and exist across all the counties of California, due to extreme and expanding drought conditions; and

WHEREAS climate change continues to intensify the impacts of droughts on our communities, environment, and economy, and California is in a third consecutive year of dry conditions, resulting in continuing drought in all parts of the State; and

WHEREAS the 21st century to date has been characterized by record warmth and predominantly dry conditions, and the 2021 meteorological summer in California and the rest of the western United States was the hottest on record; and

WHEREAS since my October 19, 2021 Proclamation, early rains in October and December 2021 gave way to the driest January and February in recorded history for the watersheds that provide much of California's water supply; and

WHEREAS the ongoing drought will have significant, immediate impacts on communities with vulnerable water supplies, farms that rely on irrigation to grow food and fiber, and fish and wildlife that rely on stream flows and cool water; and

WHEREAS the two largest reservoirs of the Central Valley Project, which supplies water to farms and communities in the Central Valley and the Santa Clara Valley and provides critical cold-water habitat for salmon and other anadromous fish, have water storage levels that are approximately 1.1 million acre-feet below last year's low levels on this date; and

WHEREAS the record-breaking dry period in January and February and the absence of significant rains in March have required the Department of Water Resources to reduce anticipated deliveries from the State Water Project to 5 percent of requested supplies; and

WHEREAS delivery of water by bottle or truck is necessary to protect human safety and public health in those places where water supplies are disrupted; and

WHEREAS groundwater use accounts for 41 percent of the State's total water supply on an average annual basis but as much as 58 percent in a critically dry year, and approximately 85 percent of public water systems rely on groundwater as their primary supply; and

WHEREAS coordination between local entities that approve permits for new groundwater wells and local groundwater sustainability agencies is important to achieving sustainable levels of groundwater in critically overdrafted basins; and

WHEREAS the duration of the drought, especially following a multiyear drought that abated only five years ago, underscores the need for California to redouble near-, medium-, and long-term efforts to adapt its water management and delivery systems to a changing climate, shifting precipitation patterns, and water scarcity; and

WHEREAS the most consequential, immediate action Californians can take to extend available supplies is to voluntarily reduce their water use by 15 percent from their 2020 levels by implementing the commonsense measures identified in operative paragraph 1 of Executive Order N-10-21 (July 8, 2021); and

WHEREAS to protect public health and safety, it is critical the State take certain immediate actions without undue delay to prepare for and mitigate the effects of the drought conditions, and under Government Code section 8571, I find that strict compliance with various statutes and regulations specified in this Proclamation would prevent, hinder, or delay the mitigation of the effects of the drought conditions.

NOW, THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes, including the California Emergency Services Act, and in particular, Government Code sections 8567, 8571, and 8627, do hereby issue the following Order to become effective immediately:

IT IS HEREBY ORDERED THAT:

1. The orders and provisions contained in my April 21, 2021, May 10, 2021, July 8, 2021, and October 19, 2021 Proclamations remain in full force and effect, except as modified by those Proclamations and herein. State agencies shall continue to implement all directions from those Proclamations and accelerate implementation where feasible.
2. To help the State achieve its conservation goals and ensure sufficient water for essential indoor and outdoor use, I call on all Californians to strive to limit summertime water use and to use water more efficiently indoors and out. The statewide Save Our Water conservation campaign at SaveOurWater.com provides simple ways for Californians to reduce water use in their everyday lives. Furthermore, I encourage Californians to understand and track the amount of water they use and measure their progress toward their conservation goals.
3. By May 25, 2022, the State Water Resources Control Board (Water Board) shall consider adopting emergency regulations that include all of the following:
 - a. A requirement that each urban water supplier, as defined in section 10617 of the Water Code, shall submit to the Department of Water Resources a preliminary annual water supply and demand assessment consistent with section 10632.1 of the Water Code no later than June 1, 2022, and submit a final annual water

supply and demand assessment to the Department of Water Resources no later than the deadline set by section 10632.1 of the Water Code;

- b. A requirement that each urban water supplier that has submitted a water shortage contingency plan to the Department of Water Resources implement, at a minimum, the shortage response actions adopted under section 10632 of the Water Code for a shortage level of up to twenty percent (Level 2), by a date to be set by the Water Board; and
- c. A requirement that each urban water supplier that has not submitted a water shortage contingency plan to the Department of Water Resources implement, at a minimum, shortage response actions established by the Water Board, which shall take into consideration model actions that the Department of Water Resources shall develop for urban water supplier water shortage contingency planning for Level 2, by a date to be set by the Water Board.

To further conserve water and improve drought resiliency if the drought lasts beyond this year, I encourage urban water suppliers to conserve more than required by the emergency regulations described in this paragraph and to voluntarily activate more stringent local requirements based on a shortage level of up to thirty percent (Level 3).

4. To promote water conservation, the Department of Water Resources shall consult with leaders in the commercial, industrial, and institutional sectors to develop strategies for improving water conservation, including direct technical assistance, financial assistance, and other approaches. By May 25, 2022, the Water Board shall consider adopting emergency regulations defining "non-functional turf" (that is, a definition of turf that is ornamental and not otherwise used for human recreation purposes such as school fields, sports fields, and parks) and banning irrigation of non-functional turf in the commercial, industrial, and institutional sectors except as it may be required to ensure the health of trees and other perennial non-turf plantings.
5. In order to maximize the efficient use of water and to preserve water supplies critical to human health and safety and the environment, Public Resources Code, Division 13 (commencing with section 21000) and regulations adopted pursuant to that Division are hereby suspended, with respect to the directives in paragraphs 3 and 4 of this Order and any other projects and activities for the purpose of water conservation to the extent necessary to address the impacts of the drought, and any permits necessary to carry out such projects or activities. Entities that desire to conduct activities under this suspension, other than the directives in paragraphs 3 and 4 of this Order, shall first request that the Secretary of the Natural Resources Agency make a determination that the proposed activities are eligible to be conducted under this suspension. The Secretary shall use sound discretion in applying this Executive Order to ensure that the suspension serves the purpose of accelerating conservation projects that are necessary to address impacts of the drought, while at the same time

protecting public health and the environment. The entities implementing these directives or conducting activities under this suspension shall maintain on their websites a list of all activities or approvals for which these provisions are suspended.

6. To support voluntary approaches to improve fish habitat that would require change petitions under Water Code section 1707 and either Water Code sections 1425 through 1432 or Water Code sections 1725 through 1732, and where the primary purpose is to improve conditions for fish, the Water Board shall expeditiously consider petitions that add a fish and wildlife beneficial use or point of diversion and place of storage to improve conditions for anadromous fish. California Code of Regulations, title 23, section 1064, subdivisions (a)(1)(A)(i)-(ii) are suspended with respect to any petition that is subject to this paragraph.
7. To facilitate the hauling of water for domestic use by local communities and domestic water users threatened with the loss of water supply or degraded water quality resulting from drought, any ordinance, regulation, prohibition, policy, or requirement of any kind adopted by a public agency that prohibits the hauling of water out of the water's basin of origin or a public agency's jurisdiction is hereby suspended. The suspension authorized pursuant to this paragraph shall be limited to the hauling of water by truck or bottle to be used for human consumption, cooking, or sanitation in communities or residences threatened with the loss of affordable safe drinking water. Nothing in this paragraph limits any public health or safety requirement to ensure the safety of hauled water.
8. The Water Board shall expand inspections to determine whether illegal diversions or wasteful or unreasonable use of water are occurring and bring enforcement actions against illegal diverters and those engaging in the wasteful and unreasonable use of water. When access is not granted by a property owner, the Water Board may obtain an inspection warrant pursuant to the procedures set forth in Title 13 (commencing with section 1822.50) of Part 3 of the Code of Civil Procedure for the purposes of conducting an inspection pursuant to this directive.
9. To protect health, safety, and the environment during this drought emergency, a county, city, or other public agency shall not:
 - a. Approve a permit for a new groundwater well or for alteration of an existing well in a basin subject to the Sustainable Groundwater Management Act and classified as medium- or high-priority without first obtaining written verification from a Groundwater Sustainability Agency managing the basin or area of the basin where the well is proposed to be located that groundwater extraction by the proposed well would not be inconsistent with any sustainable groundwater management program established in any applicable Groundwater Sustainability Plan adopted by that Groundwater Sustainability

Agency and would not decrease the likelihood of achieving a sustainability goal for the basin covered by such a plan; or

- b. Issue a permit for a new groundwater well or for alteration of an existing well without first determining that extraction of groundwater from the proposed well is (1) not likely to interfere with the production and functioning of existing nearby wells, and (2) not likely to cause subsidence that would adversely impact or damage nearby infrastructure.

This paragraph shall not apply to permits for wells that will provide less than two acre-feet per year of groundwater for individual domestic users, or that will exclusively provide groundwater to public water supply systems as defined in section 116275 of the Health and Safety Code.

10. To address household or small community drinking water shortages dependent upon groundwater wells that have failed due to drought conditions, the Department of Water Resources shall work with other state agencies to investigate expedited regulatory pathways to modify, repair, or reconstruct failed household or small community or public supply wells, while recognizing the need to ensure the sustainability of such wells as provided for in paragraph 9.
11. State agencies shall collaborate with tribes and federal, regional, and local agencies on actions related to promoting groundwater recharge and increasing storage.
12. To help advance groundwater recharge projects, and to demonstrate the feasibility of projects that can use available high water flows to recharge local groundwater while minimizing flood risks, the Water Board and Regional Water Quality Control Boards shall prioritize water right permits, water quality certifications, waste discharge requirements, and conditional waivers of waste discharge requirements to accelerate approvals for projects that enhance the ability of a local or state agency to capture high precipitation events for local storage or recharge, consistent with water right priorities and protections for fish and wildlife. For the purposes of carrying out this paragraph, Division 13 (commencing with section 21000) of the Public Resources Code and regulations adopted pursuant to that Division, and Chapter 3 (commencing with section 85225) of Part 3 of Division 35 of the Water Code and regulations adopted pursuant thereto are hereby suspended to the extent necessary to address the impacts of the drought. This suspension applies to (a) any actions taken by state agencies, (b) any actions taken by local agencies where the state agency with primary responsibility for the implementation of the directives concurs that local action is required, and (c) permits necessary to carry out actions under (a) or (b). The entities implementing these directives shall maintain on their websites a list of all activities or approvals for which these provisions are suspended.
13. With respect to recharge projects under either Flood-Managed Aquifer Recharge or the Department of Water Resources Sustainable

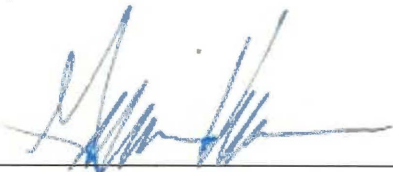
Groundwater Management Grant Program occurring on open and working lands to replenish and store water in groundwater basins that will help mitigate groundwater conditions impacted by drought, for any (a) actions taken by state agencies, (b) actions taken by a local agency where the Department of Water Resources concurs that local action is required, and (c) permits necessary to carry out actions under (a) or (b), Public Resources Code, Division 13 (commencing with section 21000) and regulations adopted pursuant to that Division are hereby suspended to the extent necessary to address the impacts of the drought. The entities implementing these directives shall maintain on their websites a list of all activities or approvals for which these provisions are suspended.

14. To increase resilience of state water supplies during prolonged drought conditions, the Department of Water Resources shall prepare for the potential creation and implementation of a multi-year transfer program pilot project for the purpose of acquiring water from willing partners and storing and conveying water to areas of need.
15. By April 15, 2022, state agencies shall submit to the Department of Finance for my consideration proposals to mitigate the worsening effects of severe drought, including emergency assistance to communities and households and others facing water shortages as a result of the drought, facilitation of groundwater recharge and wastewater recycling, improvements in water use efficiency, protection of fish and wildlife, mitigation of drought-related economic or water-supply disruption, and other potential investments to support short- and long-term drought response.

IT IS FURTHER ORDERED that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Order.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 28th day of March 2022.



GAVIN NEWSOM
Governor of California

ATTEST:

SHIRLEY N. WEBER, PH.D.
Secretary of State



Media Release

State Water Board adopts emergency water conservation regulation

Regulation to boost water savings starting in June

May 24, 2022

Contact: [Edward Ortiz](#), Public Information Officer

SACRAMENTO – In response to Governor Gavin Newsom’s March 28 [Executive Order](#) the State Water Resources Control Board adopted an [emergency water conservation regulation](#) today that will ensure more aggressive conservation by local water agencies across the state.

The new regulation bans irrigating turf at commercial, industrial, and institutional properties, such as grass in front of or next to large industrial or commercial buildings. The ban does not include watering turf that is used for recreation or other community purposes, water used at residences or water to maintain trees. The regulation also requires all urban water suppliers to implement conservation actions under Level 2 of their Water Shortage Contingency Plans.

In March 2022, the state’s urban retail water suppliers reported average water use statewide that was nearly 19% greater than in March 2020, lowering the state’s cumulative water savings since July 2021 to 3.7%. Yesterday, Governor Newsom convened leaders from the state’s largest urban water suppliers imploring them to take more aggressive action to combat drought.

“The severity of this drought requires all Californians to save water in every possible way,” said Joaquin Esquivel, chair of the State Water Board. “The regulation compels water systems and local authorities to implement a range of additional critical conservation measures as we enter the hot and dry summer months.”

Level 2 water shortage contingency plans are meant to address up to a 20% shortage of water supplies. In addition to implementing Level 2 actions, the regulation requires urban water suppliers to fast-track supply and demand assessments to plan for potential extended dry conditions.

Level 2 actions often include things such as:

- Limiting outdoor irrigation to certain days or hours
- Increasing patrolling to identify water waste



CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY

STATE WATER RESOURCES CONTROL BOARD

1001 I Street, Sacramento, CA 95814 • Mailing Address: P.O. Box 100, Sacramento, CA 95812-0100 • www.waterboards.ca.gov



- Enforcing water-use prohibitions
- Increasing communication about the importance of water conservation

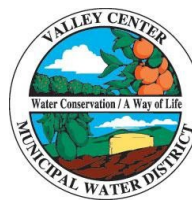
Some water suppliers already have imposed strong new restrictions on customers' water use in accordance with their drought management plans. However, about half of the state's 436 water suppliers (both urban water retailers and wholesalers) have not yet activated Level 2, and 36 have not submitted drought plans. The emergency regulation will require suppliers without drought plans to take certain conservation actions, such as conducting outreach to customers about conservation, restricting outdoor irrigation to two days a week and enforcing against wasteful water practices.

The approved regulation will be submitted to the Office of Administrative Law (OAL) for approval, which typically occurs within 10 calendar days. The ban on non-functional turf becomes effective upon OAL approval and the Level 2 requirements for urban water suppliers are proposed to take effect on June 10, 2022.

The regulation will give suppliers new options to reduce water waste if they choose to use them. A violation of the non-functional turf irrigation provision, for example, would be an infraction and subject to a fine of up to \$500.

People who see water waste should report it at [savewater.ca.gov](https://www.savewater.ca.gov).

The State Water Board's mission is to preserve, enhance and restore the quality of California's water resources and drinking water for the protection of the environment, public health and all beneficial uses, and to ensure proper allocation and efficient use for present and future generations.



May 19, 2022

Submitted via email: commentletters@waterboards.ca.gov

Ms. Jeanine Townsend
Clerk to the Board
State Water Resources Control Board
1001 I Street
Sacramento, CA 95814

Subject: 05/24/2022 BOARD MEETING – ITEM 3 EMERGENCY REGULATION FOR WATER CONSERVATION

Dear Ms. Townsend,

We offer these comments as a statewide coalition of urban water suppliers advocating for the inclusion of a so-called “Stress Test” approach in the Emergency Regulation for Urban Water Conservation proposed by the State Water Resources Control Board (Water Board) to implement Governor Newsom’s Executive Order N-7-22 (EO).

1. We support the Governor’s action to issue the EO in advance of the third summer of our ongoing statewide drought, and **we appreciate the emphasis on local water supplier actions to encourage additional water conservation by water users:**
 - We especially note the EO’s direction that the Water Board “shall *consider*” adopting emergency regulations that require urban water suppliers to implement the demand response actions in their state-required water shortage contingency plans (WSCPs) to the shortage level of up to twenty percent (Level 2), as specified in Water Code Section 10632 (WC 10632).
 - Our “Stress Test” Coalition recognizes the important discretion granted to the Water Board to adopt emergency regulations that rely on these locally adopted WSCPs.
2. Our “Stress Test” Coalition also appreciates the Water Board’s early release of its “working staff draft” of proposed regulatory text, and the public webinar on April 21, 2022, describing the proposal and soliciting early informal comments before the official comment period begins. Further, we appreciate the indications by Water Board staff that significant flexibility will be given to urban water suppliers, in recognition of variable local circumstances, to implement the adopted regulation in accordance with their WSCPs.
3. **We are Requesting that the Water Board Amend the Regulation to Allow Water Suppliers Discretion to Implement Appropriate WSCP Actions Based on Results of the Annual Water Supply and Demand Assessment:**
 - Our “Stress Test” Coalition advocates that the Water Board consider amending the proposed emergency regulation to allow urban water suppliers to use their own water shortage contingency plans and the results of their state-required annual water supply and demand assessment to determine if and what specific water shortage response actions are required, as specified in WC 10632.1.
 - Further, per WC 10632.3, even when the Governor declares a drought emergency, the Legislature has directed that the Water Board defer to the implementation of locally-adopted water shortage contingency plans.
 - Both Sections 10632.1 and 10632.3 were incorporated into the Water Code as part of the “lessons learned” from the previous drought, and the supplier-specific risk assessment requirement is patterned after the successful “Stress Test” approach embraced by the state toward the end of the last drought.
4. **“Stress Test” Coalition members have sufficiently reliable water supplies due to significant investments of ratepayer funds in additional and alternative water supply and conservation projects:**
 - We share an ongoing commitment to taking proactive action to enhance water reliability, and to continue our substantial ongoing investments in diverse local water supplies (i.e., recycled water, desalination, salinity management, stormwater capture, storage, etc.) and effective groundwater management.
 - We have invested heavily in water conservation and incentive programs, and are committed to water use efficiency education and outreach.

- Despite significant continued population growth in many of our service areas, we continue to experience lower total water demands.
- Through our effective communication programs, we have earned significant credibility with our customers, whom we trust to reduce water use if this drought deepens, in proportion to local water supply conditions.

The EO and the proposed emergency regulation require water suppliers to prepare and submit a “preliminary” annual water supply and demand assessment one month early. However, requiring water systems statewide to implement Level 2 actions -- regardless of the system’s ability to meet water demands with available supplies -- is much like the approach used in 2015 of imposing statewide water use reduction mandates. That approach not only led to significant negative economic and environmental consequences in communities statewide, but it also led to unnecessary adverse financial impacts on consumers and water systems which had heavily invested in water supply reliability projects to help buffer the impact of drought on their customers.

5. Proposed New Language to Incorporate the “Stress Test” Approach – We respectfully request that the current draft language for subsection (c) of Section 996 Urban Drought Response Actions be replaced with the following:

(c) (1) Each urban water supplier that has submitted a water shortage contingency plan to the Department of Water Resources, and has submitted to the Department of Water Resources a preliminary annual water supply and demand assessment (AWSDA), no later than June 1, 2022, **demonstrating that the supplier is not experiencing a water shortage and can meet water demands with existing supplies**, based on the criteria set forth in the supplier’s adopted water shortage contingency plan, may implement by June 10, 2022, the demand reduction actions identified in the supplier’s water shortage contingency plan adopted under Water Code 10632 for a shortage level of up to twenty percent (Level 2). The Final AWSDA submitted on July 1, 2022, shall substantiate that the supplier is not experiencing a water shortage and can meet water demands with expected water supplies.

(2) Each urban water supplier that has submitted a water shortage contingency plan to the Department of Water Resources, and has submitted to the Department of Water Resources a preliminary annual water supply and demand assessment (AWSDA), no later than June 1, 2022, **demonstrating that the supplier is experiencing a water shortage and cannot meet water demands with existing supplies**, shall implement by June 10, 2022, at a minimum, the associated demand reduction actions identified in the supplier’s water shortage contingency plan adopted under Water Code 10632 for a shortage level indicated by the preliminary AWSDA.

(3) Notwithstanding subdivisions (1 and 2), urban water suppliers shall not be required to implement new residential connection moratoria pursuant to this section.

Thank you for considering our Coalition’s request to modify the emergency regulation to better align with the “Stress Test” approach and the full purpose of WC 10632.

If you have any questions, please feel free to contact our “Stress Test” Coalition’s representative, Stacy Taylor, Water Policy Manager at Mesa Water District (Mesa Water®) at StacyT@MesaWater.org or 714.791.0848. Thank you for your consideration.

Sincerely,

City of Banning
 City of Eureka
 City of Poway
 City of Santa Barbara

City of Santa Cruz
Citrus Heights Water District
Coachella Valley Water District
Desert Water Agency
Elsinore Valley Municipal Water District
Hi-Desert Water District
Humboldt Bay Municipal Water District
Georgetown Divide Public Utilities District
Mesa Water District
Olivenhain Municipal Water District
Pico Water District
Rowland Water District
Sacramento Suburban Water District
San Juan Water District
Santa Margarita Water District
Serrano Water District
Solano Irrigation District
South Tahoe Public Utility District
Truckee Donner Public Utility District
Utica Water and Power Authority
Valley Center Municipal Water District
Walnut Valley Water District
Western Municipal Water District
Yorba Linda Water District

- c: The Honorable E. Joaquin Esquivel, Chair, State Water Resources Control Board
- The Honorable Dorene D'Adamo, Vice Chair, State Water Resources Control Board
- The Honorable Laurel Firestone, Boardmember, State Water Resources Control Board
- The Honorable Sean Maguire, Boardmember, State Water Resources Control Board
- The Honorable Nichole Morgan, Boardmember, State Water Resources Control Board
- Ms. Eileen Sobeck, Executive Director, State Water Resources Control Board
- Mr. Eric Oppenheimer, Chief Deputy Director, State Water Resources Control Board
- Mr. David Rose, Senior Staff Counsel, State Water Resources Control Board
- Mr. Christopher Hyun, State Water Resources Control Board
- Ms. Paola Gonzalez, State Water Resources Control Board

Table 8-2
Demand Reduction Actions
 2020 Urban Water Management Plan
 Georgetown Divide Public Utility District

Table 8-2: Demand Reduction Actions				
Shortage Level	Demand Reduction Actions <i>Drop down list</i> <i>These are the only categories that will be accepted by the WUEdata online submittal tool. Select those that apply to you.</i>	How much is this going to reduce the shortage gap? <i>Include volume units used.</i>	Additional Explanation or Reference <i>(optional)</i>	Penalty, Charge, or Other Enforcement? <i>Drop Down List</i>
<i>Add additional rows as needed</i>				
1	Other - Shorten the irrigation season for all non-potable irrigation customers in alignment with shortage level	10%-500 AF; 20%-1000 AF; 30%-1500 AF; 40%-2000 AF; 50%-2500 AF	10% shorter season for Level 1 up to no irrigation for Levels 4-6	Yes
1	Other - Restrict or prohibit runoff from landscape irrigation	Unknown	Enforce Water Waste Ordinance; Wasteful practices will be prohibited	Yes
1	Other - Require automatic shut off hoses	Unknown	Enforce Water Waste Ordinance	Yes
1	Other - Customers would be required to repair leaks, breaks and malfunctions in a timely manner.	Unknown	Enforce Water Waste Ordinance	Yes
1	Landscape - Limit landscape irrigation to specific times.	Unknown	Enforce Water Waste Ordinance	Yes
1	Decrease Line Flushing	0.3 AF	Routine line flushing will cease; Main flushing only on complaint basis	No
1	Expand Public Information Campaign	Residential Savings: 10%-150 AF; 20%-300 AF; 30%-450 AF; 40%-600 AF; 50%-750 AF	Inform the public using various media to conserve water; All sectors will be asked to reduce their usage by 10% to 50% depending on shortage level	No
1	Improve Customer Billing	Unknown	Provide bill inserts on water conservation; include GPCD	No
2	Offer Water Use Surveys	Unknown	The largest water users will be identified and provided with BMPs	No
2	Limit landscape irrigation to specific days	50 AF from Large landscape users; 1 AF from residential	2-3 days/week; Large landscape users will be restricted	Yes
2	CII - Lodging establishments must offer opt out of linen service	Unknown		Yes
2	CII-Restaurants may only serve water upon request.	Unknown		Yes
2	Pools and Spas-Require covers for pools and spas	Unknown		Yes
2	Water features - Restrict water use for decorative water features	Unknown	Water for non-recycling decorative water features, fountain and ponds are prohibited	
3	Pools and Spas - Allow filling of swimming pools only when an appropriate cover is in place	Unknown	No filling of new pools	
3	Increase Frequency of Meter Reading	Unknown	The largest water users will be identified for more frequent meter reading and given BMPs	Yes
3	Moratorium or Net Zero Demand Increase on New Connections	0.33 AF/year/new connection	Prohibit new domestic connections	Yes
3	Increase Water Waste Patrols	Unknown	Distribution staff will increase patrols of largest water users	Yes
3	Other - Prohibit use of potable water for washing hard surfaces	Unknown		Yes
3	Other - Prohibit vehicle washing except at facilities using recycled water	Unknown		Yes
3	Other - Prohibit use of potable water for construction and dust control	3 AF		Yes
4	Other - Prohibit all landscape irrigation except trees	4 AF		Yes
5	Other - Residential users allotted water for health and safety uses only	Residential users limited to 55 gallons/day/person; Estimated savings 900 AF	Residential customers will be limited to indoor water use for health and safety only	Yes
NOTES: Implementation of the stages are cumulative meaning that the declaration of a higher stage shall also include implementation of all the conservation methods described in the previous stages.				

Table 8-3
Supply Augmentation and Other Actions
 2020 Urban Water Management Plan
 Georgetown Divide Public Utility District

Table 8-3: Supply Augmentation and Other Actions			
Shortage Level	Supply Augmentation Methods and Other Actions by Water Supplier <i>Drop down list</i> <i>These are the only categories that will be accepted by the WUEdata online submittal tool</i>	How much is this going to reduce the shortage gap? <i>Include volume units used.</i>	Additional Explanation or Reference <i>(optional)</i>
1	Other - Shorten the irrigation season for all non-potable irrigation customers in alignment with shortage level	10%-500 AF; 20%-1000 AF; 30%-1500 AF; 40%-2000 AF; 50%-2500 AF	10% shorter season for Level 1 up to no irrigation for Levels 4-6
1	Expand Public Information Campaign	Residential Savings: 10%-150 AF; 20%-300 AF; 30%-450 AF; 40%-600 AF; 50%-750 AF	Inform the public using various media to conserve water; All sectors will be asked to reduce their usage by 10% to 50% depending on shortage level
1	Improve Customer Billing	Unknown	Provide bill inserts on water conservation; include GPCD
1	Reduce System Water Loss	50 AF	
1	Decrease line flushing	0.3 AF	Routine line flushing wil cease; Main flushing only on complaint basis
2	Offer Water Use Surveys	Unknown	The largest water users will be identified and provided with BMPs
3	Increase Frequency of Meter Reading	Unknown	The largest water users will be identified for more frequent meter reading & given BMPs
3	Increase Water Waste Patrols	Unknown	Distribution staff will increase patrols of largest water users
3	Moratorium or Net Zero Demand Increase on New Connections	0.33 AF/year/new connection	Prohibit new domestic connections
4	Other - Prohibit all landscape irrigation except trees	4 AF	
5	Other - Residential users allotted water for health and safety uses only	Residential users limited to 55 gallons/day/person. Estimated savings 900 AF	Residential customers wil be limited to indoor water use for health and safety only

RESOLUTION NO. 2022-XX
OF THE BOARD OF DIRECTORS OF THE
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT – LEVEL 2
EMERGENCY WATER CONSERVATION REGULATION

WHEREAS, Georgetown Divide Public Utility District (the District) is an Urban Water Supplier in the State of California;

WHEREAS, The District has developed an Urban Water Management Plan and Water Shortage Contingency Plan;

WHEREAS, State of California has declared most recent drought emergency most recently as October 9, 2021;

WHEREAS, On March 28, 2022, executive order N-7-22 was issued by the California Governor;

WHEREAS, On May 24, 2022, the State Board adopted emergency water conservation regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT as follows:

The District implement Level 2 of the Water Shortage Contingency Plan water conservation supply and demand restrictions to meet the regulation mandating a 20 percent reduction in water use.

PASSED AND ADOPTED by the Board of Directors of the Georgetown Divide Public Utility District at a meeting of said Board held on the fourteenth day of June 2022, by the following vote:

AYES:

NOES:

ABSENT/ABSTAIN:

Michael Saunders, President, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Attest:

Adam Coyan, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

CERTIFICATION

I hereby certify that the foregoing is a full, true, and correct copy of Resolution 2022-XX duly and regularly adopted by the Board of Directors of the Georgetown Divide Public Utility District, County of El Dorado, State of California, on this fourteenth day of June 2022.

Adam Coyan, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

DRAFT