

CALIFORNIA PUBLIC UTILITIES COMMISSION

Division of Water and Audits

**INSTRUCTIONS FOR WATER CONSERVATION,
RATIONING AND SERVICE CONNECTION MORATORIA**

Standard Practice U-40-W

SAN FRANCISCO, CALIFORNIA

March 2009

INSTRUCTIONS FOR WATER CONSERVATION, RATIONING AND SERVICE CONNECTION MORATORIA

A—PURPOSE AND SCOPE

1. The purpose of this standard practice is to provide guidance to Division of Water and Audits staff, to the public and to utilities as to steps to be taken when the utility suffers from a water shortage. The three levels of action are voluntary rationing, mandatory rationing and a service connection moratorium.
2. Each utility's Tariff Rule 14.1 addresses voluntary rationing that may be requested in the event of a water shortage. It also articulates the process for establishing and implementing Tariff Schedule 14.1, which addresses mandatory rationing that may be enforced if voluntary rationing does not yield the necessary reduction in consumption.
3. If a utility wishes to establish a Tariff Schedule 14.1 *prior* to a water shortage, it must have filed a Tariff Rule 14.1 that includes (a) a list of "non-essential or unauthorized water use" such as that found in Appendix B, which customers shall be asked to avoid under voluntary (and mandatory) rationing; and (b) the process by which the utility will establish a Tariff Schedule 14.1 and the provisions to be included in the Tariff Schedule 14.1. Appendix B, 'Rule 14.1, Water Conservation and Rationing Plan,' is an **EXAMPLE** of what should be included in such a Tariff Rule 14.1.
4. A Tariff Schedule 14.1 authorized prior to a water shortage must include the criteria for implementing mandatory rationing, among other provisions described more fully in Section F of this standard practice and in Appendix B, 'Schedule 14.1, Water Conservation and Rationing Plan.'"

B—BACKGROUND

5. General Order 103, and Standard Practice U-22-W, Determination of Water Supply Requirements of Water Systems, address water supply requirements, but supply can be affected temporarily due to drought or decreased production of a utility's wells. When this happens, utilities may have to resort to voluntary or mandatory conservation, or may have to institute a service connection moratorium.
6. Parties may also protest service area extensions (see Standard Practice U-14-W) over concern that the available supplies may be inadequate to serve the new customers, which would be the equivalent of a service connection moratorium (see Section G).¹

¹ In Resolution No. 4154, August 5, 1999, the Sierra Club protested Valencia Water Company's Advice Letters 84 and 85 for service area extension. The Commission found in the favor of Valencia, that it had adequate supplies,

7. The position of the Commission in overall water supply planning was set forth in Decision 99-04-061, April 22, 1999 (see Appendix A to this Standard Practice).

C—DEVELOPMENT OF CONSERVATION AND RATIONING

8. In mid-1976, due to a drought, the Commission opened an Order Instituting Investigation (OII, Case No. 10114, June 8, 1976) to determine what actions to take. In early 1977, the Commission issued an emergency decision that allowed water utilities to distribute water conservation kits and to implement cost effective water conservation programs.

9. The Commission was once again faced with drought conditions in mid-1988. The Commission opened OII 89-03-005 that allowed all classes of water utilities to file a water conservation and rationing plan consisting of two distinct parts: Rule 14.1 (a “voluntary conservation” program) and Schedule 14.1 (the mandatory rationing and penalty part). This plan was based primarily upon the Department of Water Resources and Metropolitan Water District’s model plans, but also incorporated aspects of the North Marin Water District, East Bay Municipal Utility District, and California Water Service Company’s existing conservation and rationing plans. The main objective of Rule 14.1 and Schedule 14.1 was to have a plan readily available for any utility that needed conservation and/or rationing methods. This plan allowed regulated utilities to achieve conservation of 17.5% to 26%.

10. The drought was officially declared over in February 1993 and the OII was closed. Because history shows that drought occurs in California about once every ten years, Rule 14.1 has remained in place. When conditions become severe, the utility may file an advice letter to institute Schedule 14.1.

11. Water Action Plan: In 2005, the Commission’s Water Action Plan (“WAP”) adopted the principle of efficient use of water and the objective of strengthening water conservation programs to a level comparable to those of energy utilities. The Commission outlined several actions to advance this objective, notably including: to promote metered water service to encourage conservation; to encourage direct participation by all Class A and B water utilities in the California Urban Water Conservation Council (“CUWCC”) and to encourage implementation of the Council’s Best Conservation Management Practices (“BMP”); and to encourage increasing conservation and efficiency rate designs (such as increasing block rates) where feasible to promote greater conservation.

12. Conservation Order Instituting Investigation: In 2007, the Commission opened an Order Instituting Investigation (“OII”) to address policies to achieve the Commission’s conservation objectives for Class A water utilities. In Phase

but ordered the utility to file its Water Management Program by application so the long-term water availability issues could be heard.

1A of the OII, the Commission set a goal for Class A water utilities of a minimum of a 3%-6% reduction in per customer or service connection consumption every three years once a full conservation program, with price and non-price components, is in place (see D.08-02-036). In recent years, the Commission has approved conservation oriented rate designs such as increasing block rates, and conservation programs such as rebates for water efficient appliances, for many Class A water utilities.

13. In February 2008, the Governor called for a 20 percent reduction in per capita water use statewide by 2020.

14. In June 2008, the Governor issued an Executive Order (S-06-08) that proclaimed a condition of statewide drought and ordered state agencies to take action to address the serious drought conditions and water delivery limitations facing the state. Specifically, the Executive Order ordered the Department of Water Resources to coordinate with the Commission to identify investor-owned water utility systems at risk of experiencing health and safety impacts due to drought conditions and water delivery limitations, and to mitigate such impacts. New legislation mandating water consumption reductions is being drafted and utilities need to take proactive steps to reduce consumption even in the absence of water shortages in their service area.

15. In February 2009, the Governor proclaimed a state of emergency to combat California's third consecutive year of drought, and ordered immediate action to manage the crisis. In the proclamation, the Governor directed all state government agencies to utilize their resources, implement a state emergency plan, and provide assistance for people, communities, and businesses, impacted by the drought. The Governor's order directs various state departments to engage in activities that will provide assistance to people and communities impacted by the drought. If the emergency conditions have not been sufficiently mitigated by March 2009, the Governor will consider additional steps, which could include: 1) the institution of mandatory water rationing and mandatory reductions in water use; 2) reoperation of major reservoirs in the state to minimize impacts of the drought; 3) additional regulatory relief or permit streamlining as allowed under the Emergency Services Act; and 4) other actions necessary to prevent, remedy or mitigate the effects of the extreme drought conditions.

D—VOLUNTARY RATIONING

16. Voluntary rationing consists of the steps described in Rule 14.1 (Appendix B). This Tariff Rule should be in the tariff book of every utility that might suffer from a water shortage. The steps may include those listed in Section E below.

E—TYPICAL WATER USE RESTRICTIONS UNDER VOLUNTARY AND/OR MANDATORY RATIONING

17. The following provisions are examples of what may be considered prohibited, nonessential, and/or unauthorized water use:

- 1) Prohibit nonessential and unauthorized water use, including but not limited to:
 - a) Use of potable water for more than minimal landscaping, as defined in the landscaping regulated of the jurisdiction or as described in Article 10.8 of the California Government Code in connection with new construction;
 - b) Use through any meter when the company has notified the customer in writing to repair a broken or defective plumbing, sprinkler, watering or irrigation system and the customer has failed to effect such repairs within five business days;
 - c) Use of potable water which results in flooding or runoff in gutters or streets;
 - d) Individual private washing of cars with a hose except with the use of a positive action shut-off nozzle. Use of potable water for washing commercial aircraft, cars, buses, boats, trailers, or other commercial vehicles at any time, except at commercial or fleet vehicle or boat washing facilities operated at a fixed location where equipment using water is properly maintained to avoid wasteful use;
 - e) Use of potable water washing buildings, structures, , driveways, patios, parking lots, tennis courts, or other hard-surfaced areas, except in the cases where health and safety are at risk;
 - f) Use of potable water to irrigate turf, lawns, gardens, or ornamental landscaping by means other than drip irrigation, or hand watering without quick acting positive action shut-off nozzles, on a specific schedule, for example: 1) before 9:00 a.m. and after 5:00 p.m.; 2) every other day; or 3) selected days of the week;
 - g) Use of potable water for watering streets with trucks, except for initial wash-down for construction purposes (if street sweeping is not feasible), or to protect the health and safety of the public;
 - h) Use of potable water for construction purposes, such as consolidation of backfill, dust control, or other uses unless no other source of water or other method can be used.
 - i) Use of potable water for construction purposes unless no other source of water or other method can be used;
 - j) Use of potable water for street cleaning;
 - k) Operation of commercial car washes without recycling at least 50% of the potable water used per cycle;

- l) Use of potable water for watering outside plants, lawn, landscape and turf areas during certain hours if and when specified in Schedule No. 14.1 when the schedule is in effect;
- m) Use of potable water for decorative fountains or the filling or topping off of decorative lakes or ponds. Exceptions are made for those decorative fountains, lakes, or ponds which utilize recycled water;
- n) Use of potable water for the filling or refilling of swimming pools.
- o) Service of water by any restaurant except upon the request of a patron; and
- p) Use of potable water to flush hydrants, except where required for public health or safety.

F—MANDATORY RATIONING

18. Tariff Schedule 14.1-Staged Mandatory Water Conservation and Rationing, may be requested based on the procedures and requirements detailed in Rule 14.1, Sections B through E (Appendix B).

19. The example of Schedule 14.1 attached in Appendix B may be modified to fit the needs of the utility and its particular water shortage situation. The following provisions may apply:

- a. Establish customer water allocations at a percentage of historical usage with the corresponding billing periods of a non-drought year being the base.
- b. Establish an allocation of a percentage of historical usage with the corresponding billing periods of a non-drought year being the base for consumption for users of process water (water used to manufacture, alter, convert, clean, grow, heat or cool a product, including water used in laundries and car wash facilities that recycle the water used).
- c. Establish a minimum allocation of a number of Ccf per month (one Ccf is one hundred cubic feet) for any customer regardless of historical usage.

20. Prior to declaration of mandatory rationing, a utility may request authorization of a Schedule 14.1 – Staged Mandatory Water Conservation and Rationing tariff, via a Tier 2 advice letter with full justification. The utility may not institute Schedule 14.1 until it has been authorized to do so by the Commission.

- a. A staged Schedule 14.1 that has been authorized by the Commission shall remain dormant until triggered by specific conditions detailed in the Schedule 14.1 tariff and utility has requested and received authorization for activating a stage by Commission.
- b. Notice of the Tier 2 advice letter (example shown in Attachment C) and associated public participation hearing shall be provided to customers under General Order (GO) 96-B rules, and

- c. Utility shall comply with all requirements Sections 350-358 of the California Water Code.

21. In the event that the voluntary conservation measures required by Rule 14.1-Section A are insufficient to control the water shortage and a Stage in the utility's authorized Schedule 14.1 is triggered, the utility shall file a Tier 1 advice letter to request activation of that particular Stage of mandatory rationing, as detailed in its Rule 14.1 and Schedule 14.1.

- a. The Tier 1 advice letter shall include justification for activating this particular stage of mandatory rationing, as well as set guidelines to the period during which this particular stage of mandatory conservation and rationing measures will be in effect.
- b. When the utility requests activation of a particular Stage, it shall notify its customers as detailed in Appendix B, example of Rule 14.1-Section E.
- c. If the utility chooses to subsequently activate a different stage, it shall file a separate Tier 1 advice letter.

22. All monies collected by the utility through water use violation fines shall not be accounted for as income. All expenses incurred by utility to implement Rule 14.1 and Schedule 14.1 that have not been considered in a General Rate Case or other proceeding, shall be recoverable by utility if determined to be reasonable by Commission. These monies shall be accumulated by the utility in a separate memorandum account for disposition as directed or authorized from time to time by the Commission.

23. An example of a staged mandatory rationing plan is attached as Appendix D.

24. Links to **EXAMPLES** of staged drought rationing programs in other jurisdictions:

- a. City of Phoenix
<http://phoenix.gov/WATER/drought.html>
- b. Southern Nevada Water Authority
http://www.snwa.com/html/drought_stages.html
http://www.snwa.com/html/drought_plan.html
- c. El Paso Water Utilities
<http://www.epwu.org/conservation/drought.html>

G—SERVICE CONNECTION MORATORIUM

25. A building permit moratorium is sometimes imposed by the California Department of Public Health. The California Water Code, Section 350 et seq., provides that any public water supplier may, after public notice and hearing,

declare a water shortage emergency within its service area whenever it determines that the ordinary demands and requirements of its 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. After it has declared a water shortage emergency, it must adopt such regulations and restrictions on water delivery and consumption as it finds will conserve its water supply for the greatest public benefit. Section 357 requires that suppliers which are subject to regulation by the CPUC shall secure its approval before making such regulations and restrictions effective. This requires an application and Commission decision.

26. Section 2708 of the Public Utilities Code states:

2708. Whenever the commission, after a hearing had upon its own motion or upon complaint, finds that any water company which is a public utility operating within this State has reached the limit of its capacity to supply water and that no further consumers of water can be supplied from the system of such utility without injuriously withdrawing the supply wholly or in part from those who have theretofore been supplied by the corporation, the commission may order and require that no such corporation shall furnish water to any new or additional consumers until the order is vacated or modified by the commission. The commission, after hearing upon its own motion or upon complaint, may also require any such water company to allow additional consumers to be served when it appears that service to additional consumers will not injuriously withdraw the supply wholly or in part from those who theretofore had been supplied by such public utility.

27. To establish a service connection moratorium the utility must:

- a. Hold a public meeting under Section 350 and 351 of the Water Code
- b. Add the following language to each service schedule:

“MORATORIUM

No service shall be provided to any premises not previously served within the _____ Service Area as defined on the Service Area Map filed as a part of these tariffs.”

H—MORATORIUM EXEMPTIONS

28. Some decisions to impose a moratorium contain exceptions. For example in Citizen’s Utilities (CUCC) Montara District:

“The moratorium shall not apply to owners of real property who are customers of CUCC on or before the date of this order, or their successors in interest, if any change in the use of their property will not increase their demand upon the system.” (D.86-05-078, Ordering Paragraph 3.)

29. D.86-05-078 also provided that prospective customers could seek an exemption from the moratorium by filing an application with the Commission showing that extraordinary circumstances required an exemption.

30. In D.00-06-020, June 8, 2000 the Commission granted an application and authorized Citizens Utilities to install a water service connection to applicant's property at APN 037-278-090 following cessation of service at applicant's property at 888 Ocean Boulevard in Montara. Costs were to be borne by applicant. The order made it clear that water service could not be reinstated at 888 Ocean Boulevard absent a lifting or easing of the moratorium. The standard was that no net additional water would be required from the water utility. Such determinations were also delegated to staff².

² D.86-05-078, May 28, 1986, Ordering Paragraph 4.

Appendix A

The Commission's Role in Water Planning

The two state agencies primarily responsible for overseeing water planning are the California Department of Water Resources, which manages the State Water Project and produces the California Water Plan, and the State Water Quality Control Board and Regional Water Quality Control Boards which have authority over water allocation and water quality protection.

In addition to the state agencies which have broad planning and management powers, local government also has a part in water use decisions. For example, county boards of supervisors, county water agencies, land use planning agencies, city governments, municipal water districts and many special districts all have a role in the use of water in California.

In this context, the Commission has recognized the futility of one party taking unilateral action to protect a groundwater basin:

Rehabilitation of the Santa Maria Groundwater Basin is not the responsibility of, and is beyond the physical and financial resources of any single individual, company, or agency. Even if [Southern California Water Company] were to stop drawing from the basin entirely and injected into the basin the entire 7,900 AFY it desires to obtain from the [Central Coast Water Authority], the basin's fundamental problems of declining quantity and water quality would not be solved. Most simply put, the basin's salvation as a water resource requires the immediate, undivided, sincere and selfless attention of all its users.

(Re Southern California Water Company, 48 CPUC2d 511, 519 (D.93-03-066)(emphasis in original).)

The Commission's role is limited to ensuring that each jurisdictional water utility provides its customers with "just and reasonable service, . . . and facilities as are necessary to promote the safety, health, comfort and convenience of its patrons, employees, and the public." (§ 451.) The Commission has further delineated the service standard in its General Order 103 where it proscribes Standards of Service including water quality, water supply, and water pressure, as well as many other details of service.

The Commission has not, however, dictated to investor-owned utilities what method of obtaining water must be used to meet its present and future responsibility of providing safe and adequate supply of water at reasonable rates. (Southern California Water, 48 CPUC2d at 517.)

Which is not to suggest that the Commission ignores issues of water availability in its regulation of water utilities. The Commission requires that all water utilities prepare, file, and update a water management plan which includes identification of water sources as well as consumption projections over 15 years. These plans are updated by the utility as part of its general rate case.

Appendix B

Examples of

Rule 14.1 and Schedule 14.1

**EXAMPLE OF
RULE 14.1
WATER CONSERVATION AND RATIONING PLAN**

GENERAL INFORMATION

1. If water supplies are projected to be insufficient to meet normal customer demand, and are beyond the control of the utility, the utility may elect to implement voluntary conservation using the portion of this plan set forth in Section A of this Rule, after notifying the Director of the Commission's Division of Water and Audits of its intent, via a letter in both hard-copy and e-mailed formats.
 2. Prior to declaration of mandatory rationing, a utility may request authorization of a Schedule 14.1 – Staged Mandatory Water Conservation and Rationing tariff, via a Tier 2 advice letter.
 3. If, in the opinion of the utility, more stringent water measures are required, the utility shall request Commission authorization to implement the staged mandatory conservation and rationing measures set forth in Sections B through E.
 4. The utility shall file a Tier 1 advice letter to request activation of a particular stage of Schedule 14.1 – Staged Mandatory Water Conservation and Rationing tariff.
 - a. If a Declaration of Mandatory Rationing is made by utility or governing agency, or
 - b. If the utility is unable to address voluntary conservation levels set by itself, supplier, or governing agency, or
 - c. If the utility chooses to subsequently activate a different stage
 5. When Schedule 14.1 is in effect and the utility determines that water supplies are again sufficient to meet normal demands, and mandatory conservation and rationing measures are no longer necessary, the utility shall seek Commission approval via a Tier 1 advice letter to de-activate the particular stage of mandatory rationing that had been authorized.
 6. In the event of a water supply shortage requiring a voluntary or mandatory program, the utility shall make available to its customers water conservation kits as required by its version of Rule 20. The utility shall notify all customers of the availability of conservation kits via a bill insert or direct mailers.
- A. CONSERVATION - NON-ESSENTIAL OR UNAUTHORIZED WATER USE

No customer shall use utility-supplied water for non-essential or unauthorized uses, including but not limited to:

**EXAMPLE OF
RULE 14.1
WATER CONSERVATION AND RATIONING PLAN**

1. Use of potable water for more than minimal landscaping, as defined in the landscaping regulated of the jurisdiction or as described in Article 10.8 of the California Government Code in connection with new construction;
2. Use through any meter when the company has notified the customer in writing to repair a broken or defective plumbing, sprinkler, watering or irrigation system and the customer has failed to effect such repairs within five business days;
3. Use of potable water which results in flooding or runoff in gutters or streets;
4. Individual private washing of cars with a hose except with the use of a positive action shut-off nozzle. Use of potable water for washing commercial aircraft, cars, buses, boats, trailers, or other commercial vehicles at any time, except at commercial or fleet vehicle or boat washing facilities operated at a fixed location where equipment using water is properly maintained to avoid wasteful use;
5. Use of potable water washing buildings, structures, , driveways, patios, parking lots, tennis courts, or other hard-surfaced areas, except in the cases where health and safety are at risk;
6. Use of potable water to irrigate turf, lawns, gardens, or ornamental landscaping by means other than drip irrigation, or hand watering without quick acting positive action shut-off nozzles, on a specific schedule, for example: 1) before 9:00 a.m. and after 5:00 p.m.; 2) every other day; or 3) selected days of the week;
7. Use of potable water for watering streets with trucks, except for initial wash-down for construction purposes (if street sweeping is not feasible), or to protect the health and safety of the public;
8. Use of potable water for construction purposes, such as consolidation of backfill, dust control, or other uses unless no other source of water or other method can be used.
9. Use of potable water for construction purposes unless no other source of water or other method can be used;
10. Use of potable water for street cleaning;
11. Operation of commercial car washes without recycling at least 50% of the potable water used per cycle;
12. Use of potable water for watering outside plants, lawn, landscape and turf areas during certain hours if and when specified in Schedule No. 14.1 when the schedule is in effect;
13. Use of potable water for decorative fountains or the filling or topping off of decorative lakes or ponds. Exceptions are made for those decorative fountains, lakes, or ponds which utilize recycled water;
14. Use of potable water for the filling or refilling of swimming pools.

**EXAMPLE OF
RULE 14.1
WATER CONSERVATION AND RATIONING PLAN**

15. Service of water by any restaurant except upon the request of a patron; and
16. Use of potable water to flush hydrants, except where required for public health or safety.

B. STAGED MANDATORY RATIONING OF WATER USAGE

1. Prior to declaration of mandatory rationing, a utility may request authorization of a Schedule 14.1 – Staged Mandatory Water Conservation and Rationing tariff, via a Tier 2 advice letter, with full justification. The utility may not institute Schedule 14.1 until it has been authorized to do so by the Commission.

- a. A staged Schedule 14.1 that has been authorized by the Commission shall remain dormant until triggered by specific conditions detailed in the Schedule 14.1 tariff and utility has requested and received authorization for activating a stage by Commission.
- b. Notice of the Tier 2 advice letter (example shown in Appendix C) and associated public participation hearing shall be provided to customers under General Order (GO) 96-B rules.
- c. Utility shall comply with all requirements of Sections 350-358 of the California Water Code.
- d. The Tier 2 advice letter requesting institution of a Schedule 14.1 shall include but not be limited to:
 - i. Proposed Schedule 14.1 tariff, which shall include but not be limited to:
 1. Applicability,
 2. Territory applicable to,
 3. A detailed description of each Stage of Rationing,
 4. A detailed description of the Trigger that Activates each Stage of Rationing,
 5. A detailed description of each water use restriction for each stage of rationing.
 6. Water use violation levels, written warning levels, associated fines, and exception procedures,
 7. Conditions for installation of a flow restrictor,
 8. Charges for removal of flow restrictors, and
 9. Special Conditions

**EXAMPLE OF
RULE 14.1
WATER CONSERVATION AND RATIONING PLAN**

- ii. Justification for, and documentation and calculations in support of plan, including but not limited to each item in B.1.d.i above.
- 2. Number of Stages requested by each utility/district may vary, depending on specifics of water shortage event.
- 3. The utility shall file a Tier 1 advice letter to request activation of a particular stage of Schedule 14.1 – Staged Mandatory Water Conservation and Rationing tariff.
 - a. If a Declaration of Mandatory Rationing is made by utility or governing agency,
 - b. If the utility is unable to address voluntary conservation levels set by itself or governing agency, or
 - c. If the utility chooses to subsequently activate a different stage.
 - d. The Tier 1 advice letter requesting activation of a Schedule 14.1 shall include but not be limited to:
 - i. Justification for activating this particular stage of mandatory rationing, as well as period during which this particular stage of mandatory conservation and rationing measures will be in effect.
 - ii. When the utility requests activation of a particular Stage, it shall notify its customers as detailed in Section E, below.
- 4. All monies collected by the utility through water use violation fines shall not be accounted for as income.
- 5. All expenses incurred by utility to implement Rule 14.1 and Schedule 14.1 that have not been considered in a General Rate Case or other proceeding, shall be recoverable by utility if determined to be reasonable by Commission.
 - a. These monies shall be accumulated by the utility in a separate memorandum account for disposition as directed or authorized from time to time by the Commission.

C. ENFORCEMENT OF STAGED MANDATORY CONSERVATION AND RATIONING

- 1. The water use restrictions of the conservation program, in Section A of this rule, become mandatory when the authorized Schedule 14.1-Staged Mandatory Rationing Program is triggered, the utility files a Tier 1 advice letter requesting activation of a particular stage, and authorization is received from the Commission.

**EXAMPLE OF
RULE 14.1
WATER CONSERVATION AND RATIONING PLAN**

- a. In the event a customer is observed to be using water for any nonessential or unauthorized use as defined in Section A of this rule, the utility may charge a water use violation fine in accordance with Schedule No. 14.1.
2. The utility may, after one verbal and one written warning, install a flow-restricting device on the service line of any customer observed by utility personnel to be using water for any non-essential or unauthorized use as defined in Section A above.
3. A flow restrictor shall not restrict water delivery by greater than 50% of normal flow and shall provide the premise with a minimum of 3 Ccf/person/month. The restricting device may be removed only by the utility, only after a three-day period has elapsed, and only upon payment of the appropriate removal charge as set forth in Schedule No. 14.1.
4. After the removal of the restricting device, if any non-essential or unauthorized use of water shall continue, the utility may install another flow-restricting device. This device shall remain in place until water supply conditions warrant its removal and until the appropriate charge for removal has been paid to the utility.
5. Any tampering with flow restricting device by customer can result in fines or discontinuation of water use at the utility's discretion.
6. If, despite installation of such flow-restricting device pursuant to the provisions of the previous enforcement conditions, any such non-essential or unauthorized use of water shall continue, then the utility may discontinue water service to such customer. In such latter event, a charge as provided in Rule No. 11 shall be paid to the utility as a condition to restoration of service.
7. All monies collected by the utility through water use violation fines shall not be accounted for as income. All expenses incurred by utility to implement Rule 14.1 and Schedule 14.1 that have not been considered in a General Rate Case or other proceeding, shall be recoverable by utility if determined to be reasonable by Commission. These additional monies shall be accumulated by the utility in a separate memorandum account for disposition as directed or authorized from time to time by the Commission.
8. The charge for removal of a flow-restricting device shall be in accordance with Schedule No. 14.1.

D. APPEAL PROCEDURE

1. Any customer who seeks a variance from any of the provisions of this water conservation and rationing plan shall notify the utility in writing, explaining in detail the reason for such a variation. The utility shall respond to each such request in writing.

**EXAMPLE OF
RULE 14.1
WATER CONSERVATION AND RATIONING PLAN**

2. Any customer not satisfied with the utility's response may file an appeal with the staff of the Commission. The customer and the utility will be notified of the disposition of such appeal by letter from the Executive Director of the Commission.

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

E. PUBLICITY

1. As stated under Section B.1.b and c, when a utility requests authorization of a Schedule 14.1 – Staged Mandatory Water Conservation and Rationing tariff, via a Tier 2 advice letter, it shall provide notice of the Tier 2 advice letter (example shown in Attachment C) and associated public meeting provided to customers, under General Order (GO) 96-B rules, and shall comply with all requirements of Sections 350-358 of the California Water Code (CWC), including but not limited to the following:

- a. In order to be in compliance with both the GO and CWC, the utility shall provide notice via both newspaper and bill insert/direct mailing.
- b. Utility shall file one notice for each advice letter filed, that includes both notice of the filing of the Tier 2 advice letter as well as the details of the public meeting (date, time, place, etc).
- c. The public meeting shall be held after the utility files the Tier 2 advice letter, and before the Commission authorizes implementation of the tariff.
- d. Utility shall consult with Division of Water and Audits staff prior to filing advice letter, in order to determine details of public meeting.

2. In the event that a Schedule 14.1-Staged Mandatory Rationing Plan is triggered, and a utility requests activation through the filing of a Tier 1 advice letter, the utility shall notify its customers and provide each customer with a copy of Schedule 14.1 by means of bill insert or direct mailing. Notification shall take place prior to imposing any fines associated with this plan.

3. During the period that a stage of Schedule 14.1 is activated, the utility shall provide customers with updates in at least every other bill, regarding its water supply status and the results of customers' conservation efforts.

**EXAMPLE OF
SCHEDULE 14.1
STAGED MANDATORY WATER CONSERVATION AND RATIONING**

NOTE: The various levels of percentage reductions, reduced usage levels, fines, and removal charges shown below are examples that are used for illustrative purposes only. Each utility/district shall have its own unique amounts for each of these items.

A. APPLICABILITY

1. This schedule applies to all water customers served under all tariff rates schedules authorized by the Commission. It is only effective in times of mandatory rationing, as required by Rule No. 14.1, and only for the period noted in the Special Conditions section below.
2. This schedule shall remain dormant until a specific stage is activated by Commission authorization of a Tier 1 advice letter.
3. When a particular stage of this schedule is activated, the period over which it shall be effective will be added to tariff language.

B. TERRITORY

1. This schedule is applicable within the entire territory served by the utility.

C. STAGES

1. Stage 1: Mandatory rationing is declared by utility, governing agency, or supplier; or when water supplied to utility is reduced by 0%-10%.
2. Stage 2: Water supply is reduced 10.01%-20% or water restrictions at Stage 1 have not been effective in reducing water usage to prescribed level.
3. Stage 3: Water supply is reduced 20.01% or more or water restrictions at Stage 2 have not been effective in reducing water usage to prescribed level.

D.MANDATORY WATER USE RESTRICTIONS AT EACH STAGE

1. In addition to the water use restrictions listed in utility's authorized Rule 14.1-Section A (which become mandatory when a stage of Schedule 14.1 is activated), the following mandatory restrictions apply to water usage at each stage of mandatory rationing. These reduced usage levels shall be determined based on the historical average of customer usage, of up to three years:
 - a. Stage 1: Customer usage reduced to 90% - 100%.
 - b. Stage 2: Customer usage reduced to 80% - 89.99%.
 - c. Stage 3: Customer usage reduced to 79.99% or less.

**EXAMPLE OF
SCHEDULE 14.1
STAGED MANDATORY WATER CONSERVATION AND RATIONING**

E. WATER USE VIOLATION FINE

1. When a stage of this schedule has been activated by Commission authorization, the water use restrictions of the conservation program in Section A of Rule 14.1 as well as those listed in Section D of this tariff, become mandatory. If a customer is seen violating the water usage restrictions, as outlined in Rule No. 14.1 and the Special Conditions below, the customer will be subject to the following fine structure:

| | |
|--|---|
| First offense: | Written warning |
| Second offense: (of the same restriction) | \$25 |
| Third offense: (of the same restriction) | \$50 |
| Each additional Offense: (of the same restriction) | \$25 more than the previous fine imposed. |

2. Offenses for separate water use restrictions will each start at the warning stage.
3. The water use violation fine is in addition to the regular rate schedule charges

F. FLOW RESTRICTOR REMOVAL CHARGE

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

| <u>Connection Size</u> | <u>Removal Charges</u> |
|-------------------------|------------------------|
| 5/8" to 1" | \$25.00 |
| 1-1/2" to 2" | \$50.00 |
| 3" and larger | Actual cost |

G. SPECIAL CONDITIONS

1. This tariff schedule shall remain in effect for period of six (6) months from the effective date set forth below, or until utility files a Tier 1 advice letter to deactivate specific stage of mandatory conservation.
2. Water use violation fines must be separately identified on each bill.
3. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

**EXAMPLE OF
SCHEDULE 14.1
STAGED MANDATORY WATER CONSERVATION AND RATIONING**

4. All monies collected by the utility through water use violation fines shall not be accounted for as income. All expenses incurred by utility to implement Rule 14.1 and Schedule 14.1 that have not been considered in a General Rate Case or other proceeding, shall be recoverable by utility if determined to be reasonable by Commission. These monies shall be accumulated by the utility in a separate memorandum account for disposition as directed or authorized from time to time by the Commission.

5. No customer shall use utility-supplied water for non-essential or unauthorized uses, including but not limited to:

- a. Use of potable water for more than minimal landscaping, as defined in the landscaping regulated of the jurisdiction or as described in Article 10.8 of the California Government Code in connection with new construction;
- b. Use through any meter when the company has notified the customer in writing to repair a broken or defective plumbing, sprinkler, watering or irrigation system and the customer has failed to effect such repairs within five business days;
- c. Use of potable water which results in flooding or runoff in gutters or streets;
- d. Individual private washing of cars with a hose except with the use of a positive action shut-off nozzle. Use of potable water for washing commercial aircraft, cars, buses, boats, trailers, or other commercial vehicles at any time, except at commercial or fleet vehicle or boat washing facilities operated at a fixed location where equipment using water is properly maintained to avoid wasteful use;
- e. Use of potable water washing buildings, structures, , driveways, patios, parking lots, tennis courts, or other hard-surfaced areas, except in the cases where health and safety are at risk;
- f. Use of potable water to irrigate turf, lawns, gardens, or ornamental landscaping by means other than drip irrigation, or hand watering without quick acting positive action shut-off nozzles, on a specific schedule, for example: 1) before 9:00 a.m. and after 5:00 p.m.; 2) every other day; or 3) selected days of the week;
- g. Use of potable water for watering streets with trucks, except for initial wash-down for construction purposes (if street sweeping is not feasible), or to protect the health and safety of the public;
- h. Use of potable water for construction purposes, such as consolidation of backfill, dust control, or other uses unless no other source of water or other method can be used.
- i. Use of potable water for construction purposes unless no other source of water or other method can be used;
- j. Use of potable water for street cleaning;
- k. Operation of commercial car washes without recycling at least 50% of the potable water used per cycle;

**EXAMPLE OF
SCHEDULE 14.1
STAGED MANDATORY WATER CONSERVATION AND RATIONING**

- l. Use of potable water for watering outside plants, lawn, landscape and turf areas during certain hours if and when specified in Schedule No. 14.1 when the schedule is in effect;
- m. Use of potable water for decorative fountains or the filling or topping off of decorative lakes or ponds. Exceptions are made for those decorative fountains, lakes, or ponds which utilize recycled water;
- n. Use of potable water for the filling or refilling of swimming pools.
- o. Service of water by any restaurant except upon the request of a patron; and
- p. Use of potable water to flush hydrants, except where required for public health or safety.

Appendix C
EXAMPLE OF NOTICE

Date _____

**NOTICE OF PROPOSED STAGED MANDATORY RATIONING PLAN
AND PUBLIC MEETING
WITH THE PUBLIC UTILITIES COMMISSION STAFF**

WATER UTILITY (WU) has requested authority from the CALIFORNIA PUBLIC UTILITIES COMMISSION to institute a staged mandatory rationing plan (plan). The proposed plan would only go into effect when specific criteria, detailed in the plan, are met. The Commission Staff will hold a public meeting on _____ at _____, located at _____, to explain the rate process and receive public input.

The company proposes the following:

- **Staged Mandatory Rationing Plan – Stages 1 through 3**
- **Brief Description of Plan, Stages, Triggers, and Restrictions at each Stage**
- **Brief Description of Water Use Violation Levels, Penalty Criteria**

The Commission staff will make a thorough investigation of the utility's request. Following the investigation, the Commission may grant the utility's request in whole or in part, or may deny it. It may also order the utility to charge rates different from those shown in this notice.

The public meeting is informal and affords customers the opportunity to ask questions and express their views. **WATER UTILITY** will have representatives there to explain the reasons for the proposed increase. Likewise there will be a Commission Staff representative who will conduct the meeting and explain how the staff will analyze the proposed rates and fee increases.

The public meeting will be held:

DATE: _____

TIME: _____

PLACE: _____

Section 454 of the California Public Utilities Code provides that no public utility shall raise any rate or so alter any classification, contract, or rule as a result of any rate increase except on a showing before the Commission and a finding of the Commission that such increase is justified. Customers may wish to call to the Commission's attention any problem covering water service, billing procedure or other factor pertaining to a reasonable service for the charge. Customers who would like to provide any other information or comments regarding this requested increase, should write to the Commission at the following address:

Appendix C
EXAMPLE OF NOTICE

California Public Utilities Commission
Water Utilities Division, Room 3106
505 Van Ness Avenue, 3rd Floor
San Francisco, CA 94102
Attention: Seaneen M. Wilson

Responses should mention that they pertain to **WATER UTILITY, ADVICE LETTER #,**
and should be send no later than (20) days after that this notice is sent.

A copy of **WATER UITLITY'S** filing may be inspected in its business office at:

Further information may be obtained from the utility at its business office or from the
Commission at the above address.

Appendix D

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

RETURN TO
HYDRAULIC BRANCH
SAN FRANCISCO OFFICE

Copy for:
Orig. and Copy
to Executive Director
Director
Numerical File
Alphabetical File
Accounting Officer

RESOLUTION NO. W-2122

RESOLUTION

UTILITIES DIVISION
BRANCH/SECTION: Hydraulic
DATE: May 17, 1977

SUBJECT: Order authorizing Southern California Edison Company to file a water rationing program to implement the present Santa Catalina Fresh Water Rationing Program imposed in early 1976, Santa Catalina Island, Los Angeles County. (Resolution No. W-2122).

WHEREAS: SOUTHERN CALIFORNIA EDISON COMPANY by Advice Letter No. 16-W received April 25, 1977 requests authority to implement the present Santa Catalina Fresh Water Rationing Plan by additional conditions and restriction on the use of fresh water by customers on Santa Catalina Island. Utility has distributed free shower flow restrictors and approximately 1,000 plastic bottles for toilet tanks. A meeting was held in Avalon on March 31, 1977. The plan sets up four phases. The first phase becomes effective when the level of water in the Middle Ranch Reservoir drops below 600 acre feet. Prior to falling below 600 acre feet there would be no mandatory restriction but the voluntary conservation encouraged in 1976 and further implemented early in 1977 would be in effect. No washing of hard surfaces, cars, boats or other equipment with a hose. No soil compaction with water. Watering of vegetation with hose or sprinkler is limited to the hours of 6a.m. to 8a.m. and 4p.m. to 6p.m.(PST). Watering with a 3-gallon bucket is permitted anytime. Phase two becomes effective when the reservoir drops below 300 acre feet. Additional restrictions are (1) customers use will be reduced to 75% of use during same period last year; (2) watering of landscape limited to between 6p.m. and 7p.m.(PDT) on Tuesdays and Fridays only; (3) filling or refilling or make-up water in swimming pools prohibited; (4) no new service connections. Phase three becomes effective when the reservoir is below 200 acre feet. Added restrictions are (1) customer use is reduced to 50%; (2) watering of landscape vegetation is limited to Tuesdays only during 6p.m. and 7p.m.(PDT). Phase four when reservoir is below 50 acre feet. Added restrictions are (1) customer use is reduced to 25%; (2) no watering of vegetation; (3) no washing of equipment by any means. First violation in any phase, customer is warned. Second violation, a restrictor is put in the line and a charge of \$15 is imposed. After 72 hours, the restrictor may be removed and an additional \$15 charge is imposed. On the third violation, a restrictor is inserted and will remain during that phase with similar charges for inserting and removal. Disputes may be appealed to this Commission if customer is not satisfied with utility's explanation, but provision for variances have been added which are agreeable to Edison. The level of water in the Middle Ranch Reservoir is now at about 200 acre feet, so this program is urgently required. The Commission finds that this rationing plan for conservation as modified with provision for variances, is reasonable and is justified.

IT IS ORDERED that Southern California Edison Company is authorized to impose this water rationing program as proposed in its Advice Letter No. 16-W, with a revised page 143-W providing for variances. The authority granted herein shall be effective on the date of this resolution. The effective date of this resolution is the date hereof.

I hereby certify that the foregoing Resolution was duly introduced, passed and adopted at a regular conference of the Public Utilities Commission of the State of California, held on the 17th day of May, 1977, the following Commissioners voting favorably thereon:

ROBERT BATINOVICH
President
WILLIAM SYMONS, JR.
VERNON L. STURGEON
RICHARD D. GRAVELLE
Commissioners

FORM U-14-A


Executive Director