



CUWA Policy Principles

Water Supply Reliability – December 10, 2012

CUWA's mission is to provide a forum for combining the expertise and resources of its member agencies to study and promote a reliable, high-quality water supply for the State's current and future urban water needs. Water supply reliability is a fundamental component of this mission. The following policy principles summarize CUWA's current position on water supply reliability.

Water Supply and Conservation

- **Future water demands must be met with a diverse portfolio of sustainable supplies.**

There is no one solution to meet future water demands. To ensure reliability for their customers, CUWA agencies have been diversifying their water resource portfolios. A reliable water supply requires a mix of sources, which could include groundwater, recycled wastewater or stormwater and desalination, as well as more traditional sources like imported water. Greater flexibility, enabled by more diverse supply and storage options, will better position urban utilities to address future uncertainties.

- **CUWA agencies support continuing to reduce reliance on imported supplies.**

CUWA agencies have successfully invested and will continue to invest in water use efficiency actions and local supply development, largely to reduce the overall percentage of CUWA supply portfolios from imported water to meet future demands.

- **Existing access to imported water supplies must be maintained.**

CUWA member agencies have invested heavily in supply reliability over the past two decades to establish the water supply portfolios necessary to meet customer water needs. For many CUWA agencies, imported water is an integral element of their portfolios. It is critical that CUWA member agencies retain reliable and predictable access to these existing imported supplies.

- **Conservation savings are an important component of a diverse water supply portfolio.**

CUWA agencies have achieved significant water savings as the result of investments in programs and projects over the past 20 years. Since 1990, CUWA agencies' total urban water demand has remained about the same (5 MAF), while the population served grew by 25 percent. CUWA agencies are working to hold future increases in water demand over the next 20 years to 10 percent or less. These savings take the place of supplies that would otherwise be needed to meet growing demands.

- **CUWA agencies are committed to California's 20 x 2020 goals.**

CUWA retail agencies are investing in water use efficiency programs, including water conservation and reuse, to comply with the requirements of the SBx7-7 legislation. CUWA wholesale agencies are also implementing regional water use efficiency programs to augment efforts by retail agencies and to help ensure their regions meet the State's goal of 20 percent per capita reduction in water demands. Conservation is an important aspect of future water supply reliability, but it must be augmented by other new supplies.

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- **Water transfers are an important tool for developing a diverse water supply portfolio.**

CUWA agencies support improving the process to allow efficient and time sensitive short and long-term water transfers.

Planning for the Future

- **Local decision-making must be preserved to address unique agency needs.**

Differences in local climate, land use, and commercial/industrial customers can produce very different patterns of per capita and total water demands. Local conditions can also dictate the types of supply that are best suited to an individual agency. The ability to make decisions locally regarding water management must be preserved.

- **CUWA agencies are committed to reassessing demand forecasts regularly to address uncertainty.**

Changes in demographics, lifestyle customer behavior, and effects of climate change introduce uncertainty in determining long-term future water demands, while economic conditions can have short-term impacts. CUWA agencies will continually monitor factors affecting their water supply and demand conditions and formally present their updated demand and supply forecasts in Urban Water Management Plan (UWMP) updates.

- **Urban water management planning is an effective tool that provides information on urban water agencies' existing and projected supplies and demands.**

CUWA agencies use their UWMPs to assess the reliability of their water supplies in both normal and dry water years, and to identify a reliable mix of resources and conservation measures to meet future demands.

Investments to Improve Reliability

- **Investments in storage are important to provide greater flexibility in meeting demands during dry periods.**

Increased storage capabilities within an agency's service area or partnering with other water districts for storage have enabled CUWA agencies to more effectively manage their water supplies and demand variations. CUWA agencies' investments in local storage, including innovative programs such as conjunctive use of local groundwater basins, provide greater flexibility in meeting demands during periods of shortage. Increased storage capabilities can generally enable CUWA agencies to import less water during dry years, when less water is available for water supply and environmental needs.

- **Water agencies will need to continue investing in infrastructure and other programs and projects to maintain reliable supply.**

Over the past 20 years, CUWA agencies have invested more than \$20B and have accomplished a great deal in obtaining water conservation savings, diversifying supplies, and achieving improvements in system infrastructure and reliability. They have a continuing commitment to similar levels of investment in major projects and programs that provide for a reliable water supply in the future.

- **Water supply reliability requires reliable water financing.**

A beneficiary pays system offers the best basis for securing reliable water financing. Direct beneficiaries have demonstrated the ability to finance water infrastructure, and this approach can be applied effectively to implement complex multi-beneficiary projects. (See also CUWA's Reliable Water Financing Policy Principles, May 23, 2012).