

Advancing aspirational goals

through elevated voice and leadership



CUWA

ANNUAL REPORT: FISCAL YEAR 2022

California Urban Water Agencies (CUWA) is a nonprofit corporation of 11 major urban water agencies that collectively deliver drinking water to two-thirds of the state's population. CUWA's mission is to provide a forum for combining the expertise and resources of its member agencies to advance reliable, high-quality water supplies for the State's current and future urban water needs in a costeffective manner for the public, the environment, and the economy.

CUWA agencies amplified their impact through collaborative efforts, leveraging their collective voice, and advancing progress toward shared aspirations for the future of California Water.



Fiscal Year 2022 Highlights

As California navigates shifting conditions, such as those driven by climate change and long-term effects of the COVID-19 pandemic, CUWA agencies continue to leverage their collective knowledge and expertise toward a shared vision. Building on lessons learned from past and ongoing experiences, CUWA agencies offered insights and recommendations throughout this past year, both among each other and with external partners and policymakers, to improve water management and resilience statewide. As a non-advocacy organization with a unified urban voice, CUWA has built a trusted reputation, with state leaders calling on CUWA to provide a technical perspective on key policy issues.

CUWA's FY 2022 accomplishments are summarized below in the context of CUWA's four long-term aspirations for California Water.







In support of the Governor's call to action, CUWA agencies are boosting conservation and other drought response measures.



Reliable Water Supply is Available to all Californians

With 2021-2022 being one of California's driest periods on record, CUWA agencies have been implementing a variety of drought response actions within their service areas, including conservation efforts, operational shifts, and supply augmentation measures—both locally and through regional partnerships. Additionally, CUWA continues to partner with other organizations to improve statewide drought management, including collaborative discussions with the Public Policy Institute of California (PPIC) to inform a framework for improving drought indicators.

Aligned with the state's approach to achieving statewide water use reductions through local actions, CUWA's 2021 issue brief on Strengthening California's Drought Resilience, which was prepared in collaboration with the Association of California Water Agencies (ACWA), describes the various factors that affect local water shortage contingency

plans and offers recommendations on how the state can help strengthen drought preparation and response. Following release of the issue brief, CUWA and ACWA co-hosted a webinar to present key findings and recommendations to more than 160 attendees, including state leaders and local utility managers. Continued dialogue with state leaders on emergency drought response and long-term resilience underscore CUWA's role as a trusted, technical voice. As noted in CUWA's recent commentary published by CalMatters, CUWA is committed to collaborating with state and local agencies and associations (including ACWA, California Municipal Utilities Association, and California Water Association) to support Governor Newsom's call to action as drought conditions persist, responding to the immediate need for conservation while also preparing for a drier future through investments in resilient water supplies, storage, and conveyance.



Consumers Trust the Quality of Tap Water

CUWA's Water Quality Committee has continued to plan ahead for new drinking water requirements, such as those relating to microplastics, per- and polyfluoroalkyl substances (PFAS), and the lead and copper rule revisions (LCRR). The committee held discussions with Division of Drinking Water (DDW) staff on the LCRR and proposed microplastics monitoring plan to understand and prepare for upcoming requirements, leveraging CUWA agency experience and technical acumen to inform revisions to the draft Microplastics in Drinking Water Policy Handbook. CUWA is also exploring whether utility data on water quality conditions following removal of lead service lines or components could be collected and analyzed to provide useful insights as DDW develops the state LCRR.

Even with robust treatment and operations maintaining safe drinking water, CUWA agencies recognize that many consumers distrust tap water for a variety of reasons. In June 2022, CUWA held a workshop on the topic of consumer confidence that included agency staff from the Affordability & Revenues; Diversity, Equity, and Inclusion (DEI); Water Quality; and Water Reuse committees. The goal of the workshop was to bring together varying perspectives and generate creative ideas and best practices to identify and address obstacles to consumer trust. As an outcome of this workshop, CUWA will be launching a new Communications Committee in FY 2023 to help align strategies and messaging that can improve consumers' confidence in tap water locally and statewide.





Safe Water is Accessible and Affordable to All

The COVID-19 pandemic and subsequent economic conditions have heightened the water affordability gap in many communities, which is driven by both the cost of water and customers' ability to pay. This past year, CUWA partnered with state agencies to help temporarily close this gap through successful implementation of the California Water and Wastewater Arrearage Payment Program and rollout of the Low-Income Household Water Assistance Program (LIHWAP). Longer-term, CUWA agencies continue to track state progress towards a statewide low-income rate assistance program while providing support to ratepayers in their local communities. CUWA's Water Affordability Policy Principles, updated in late 2021, outline various strategies to support low-income customers while maintaining utility revenues. Additionally, CUWA was selected to serve on the Project Advisory Committee for an upcoming Water Research Foundation (WRF) project, Feasibility and Applicability of Emerging Utility-led Innovations in Addressing Affordability, which will document emerging forms of affordability program options and evaluate the benefits and costs of implementation in different utility contexts.

While CUWA agencies are committed to maintaining reliable, affordable water supply within their services areas, CUWA also recognizes that small, rural communities are particularly vulnerable to disruptions due to limited resources and, in many cases, reliance on a single source of water supply. Building on momentum over past years, CUWA was awarded funding to serve as a Technical Assistance (TA) Provider through the State Board's SAFER Program. Through CUWA's role as a TA Provider, which is expected to kick off later in 2022. CUWA will have an opportunity to work directly with small water systems at risk or out of compliance with drinking water standards and bring them to compliance through sustainable solutions.



Water Agencies Embody DEI Through Culture, Practices, and Accountability

As CUWA agencies continue to improve diversity, equity, and inclusion (DEI) within their own organizations, CUWA has begun to document and share best practices and lessons learned through a DEI Toolkit. The initial toolkit elements (published in September 2021) provide guidance and references on executive management commitments, data assessments, and action plans and have served as a useful resource for many utilities and organizations in their DEI journey. CUWA shared the toolkit through multiple venues over the past year, including conference presentations, panel discussions, and a <u>Diversity in California Water webinar</u> in coordination with CWEA, CASA, CA-NV AWWA, Baywork, ACWA, and the California African American Water Education Foundation.

CUWA's DEI Committee provides a forum for CUWA agencies to continue to share lessons learned as they implement new DEI initiatives, and CUWA strives to spark positive change throughout the entire water industry. As noted by Rick Callender, Chief Executive Officer of Valley Water and co-chair of CUWA's DEI Committee in a press release, "Overcoming the barriers affecting our communities starts with us as major urban water agencies and increasing the number of diverse voices at the table."

CUWA's website will be updated with additional resources and references as they become available. CUWA may also expand the DEI Toolkit over time to include additional focus areas, such as addressing environmental justice in the broader community.

Looking Ahead - Working Together for a Resilient Future

As front line leaders addressing current and emerging water challenges, CUWA agencies offer valuable data, innovations, and forward-thinking policies. Building on progress and partnerships made in FY 2022, CUWA will continue to engage in productive dialogue with state leaders and other partners on shared priorities, shifting from near-term focus (e.g., immediate drought response) to long-term water resilience.

One example of ongoing, collaborative engagement is Governor Newsom's convening of local water agencies and associations, including CUWA's Executive Director and representatives from all 11 member agencies. While the first meeting in May 2022 focused on the need for more aggressive conservation, CUWA was able to report on collective progress at the July meeting, including continued water savings anticipated based on preliminary data. During the meeting, agency leaders also discussed the need for more drought-resilient water supplies and storage projects as the state adapts to hotter, drier conditions driven by climate change. "Governor Newsom has demonstrated strong leadership in directing water agencies to implement actions that are the best fit for the communities we serve," stated San Diego County Water Authority General Manager and CUWA Board Chair Sandy Kerl in CUWA's recent press release. "We look forward to continued collaboration at the state and local level as we collectively prepare for a more resilient future."



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Sandy Kerl, San Diego County Water Authority General Manager and CUWA Board Chair





Photos courtesy of Governor's Office

POPULATION SERVED: CUWA MEMBER AGENCIES

- Alameda County Water District (ACWD)
- City of **Fresno**
- City of San Diego Public Utilities Department (San Diego)
- Contra Costa Water District (CCWD)
- East Bay Municipal Utility District (EBMUD)
- Los Angeles Department of Water and Power (LADWP)
- Metropolitan Water District of Southern California (MWD)
- San Francisco Public Utilities Commission (SFPUC)
- San Diego County Water Authority (SDCWA)
- Santa Clara Valley Water District (Valley Water)
- Zone 7 Water Agency (Zone 7)

For more information visit www.cuwa.org

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