Regional Water Authority
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June 2, 2017

Todd Thompson
Water Use Efficiency
P.O. Box 942836
Sacramento, CA 94236 via email to: WUE@water.ca.gov

SUBJECT: Comments on Revised Proposed Regulations for Water Loss Audits and Water Loss Control Reporting

Dear Mr. Thompson:

The Regional Water Authority (RWA) appreciates the opportunity to comment on the Notice of Modifications to Text of Proposed Regulations regarding Chapter 7, Division 2, of Title 23: Water Loss Audits and Water Loss Control Reporting. RWA is a Joint Powers Authority that represents 21 water suppliers in the greater Sacramento region. Collectively, these agencies provide reliable water supplies to approximately two million residents and thousands of businesses.

RWA supports annual water loss audits, validation for the accuracy of those audits and transparency of the documentation for all urban water suppliers. Water loss audits and leak detection and repair are necessary components of integrated water management. Regarding the modification to text of the proposed regulations, RWA has the following comments.

<u>Support</u>

- RWA supports the clarification of “potable” water throughout the revisions. While we support efficient use of all water including recycled water, it is important to note that the AWWA water audit was designed for use on potable water distribution systems, and must be conducted on an individual, discrete system. To the extent recycled water systems are separated hydraulically and operationally from potable systems, it is inappropriate to combine recycled and potable water into a single audit.

- Regarding Section 700.1 (g), RWA appreciates the addition of the General Manager definition, which recognizes alternative job titles used by California water suppliers to describe the executive position with overall responsibility for managing potable water distribution systems.

<u>Recommended clarifications/revisions</u>

- Sections 700.2, 700.4, 700.5 reference “version 5.0” of the AWWA Free Water Audit Software. Even with the text in Section 700 (c), references to "5.0" will create a barrier for water suppliers from using the AWWA software with minor updates such as functional improvements (potentially referenced as version 5.1, 5.2, etc.) without changes to the regulation. *RWA recommends “version 5.0” be simplified to “version 5” or “v5” in all applicable sections.*

- *Regarding Section 700.3 (b) (2) (D), RWA recommends the removal of "customer meter accuracy derivations including…"* as it is inconsistent with the original, appropriate subject of "supply meter."

- *Regarding Section 700.4 (a) (2), RWA recommends extending funding for the Water Loss Technical Assistance Program (TAP) to cover the 2018 reporting period.* This extension will allow for greater consistency while establishing potential baseline data for future water loss metrics as outlined in Executive Order B-37-16. *In the absence of extending the TAP program, RWA recommends the qualifications for validators be strengthened in the interim between the 2017 TAP program and the establishment of the water audit validator certificate program (as referenced in the California-Nevada Section, American Water Works Association comment letter).*

- Regarding Section 700.5 (a) (2) & (3), RWA supports providing the option for each water system to select either fiscal or calendar year for reporting. The current draft appears to allow for audits that are other than the "previous fiscal year" as of October 1, as required by SB 555 and allows fiscal information pulled from a different period than the water volume information represents. Allowing for financial incongruence is inconsistent with M36, and has the potential to skew the economic value attached to real and apparent losses. M36 does not require that cost input be from audited financial statements. The data validity grade assigned with this element of the water audit depends only upon the frequency of financial auditing as a business practice. *RWA recommends reestablishing the prior version of 700.5 (a): "The report shall include data spanning 12 consecutive months for either the previous calendar year or the water supplier's fiscal year" and removing the new sub-items (1) (2) & (3).*

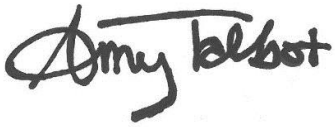
- Regarding Section 700.5 (b) (2), RWA supports adjusting the referenced window from 1 to 3 years to recognize actions taken may extend over multiple years. We do not, however, believe it is appropriate to require this level of reporting for audits submitted in 2017 given rulemaking delays, and since many water systems are in the process of learning non-revenue water management and water audit concepts through the TAP program and other avenues. *RWA recommends maintaining the language "Beginning in 2018…" from the previous revision.*

- Section 700.5 (c) appears to allow a water supplier to combine multiple systems in "a combined set of spreadsheet worksheets…" for compliance. From a technical, managerial, and validation perspective, each audit must reflect a single discrete system. Allowing water suppliers to combine data from non-contiguous, hydraulically independent distribution systems into a single audit report is not consistent with water auditing practice. For purposes of prioritizing leak detection activities, and appropriately associating cost to water loss control actions, it is critical that a unique audit be performed on each unique distribution system even if financial data for some smaller unique systems may need to be estimated as a function of a larger agency-wide financial evaluation. *RWA recommends modifying (c) as follows: ~~In the case of urban retail water suppliers with two or more separate public potable water systems, the urban~~ Urban retail water suppliers shall submit ~~either~~ separate ~~worksheets~~ AWWA Free Water Audit Software spreadsheet worksheets meeting the requirements in Section 700.5(b)(1) for each potable water system. ~~or a combined set of spreadsheet worksheets for its potable water systems.~~*

- Throughout the current revision, data validity score (DVS) was used interchangeably with data grade values. However, there is a distinct and important difference between data grade values, which refer to specific grades (on a scale of 1-10) applied to each input component, and data validity score (DVS), the measure of the overall trustworthiness of the data in the audit (a composite value calculated from data grading values). Referencing these definitions, DVS is incorrectly used throughout the regulation. *RWA recommends that "DVS" be replaced with "data grade values," where appropriate.*

RWA is dedicated to advancing water supply reliability through a balanced approach that includes water loss audits and leak detection and repair. Thank for the opportunity to provide comments towards creating an effective statewide water loss program through the implementation of SB 555. We look forward to continuing to work together on this effort.

Respectfully,



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Water Efficiency Program Manager