

August 31, 2019

The Honorable Jared Blumenfeld
Secretary for Environmental Protection
1001 I Street
P.O. Box 2815
Sacramento, CA 95812-2815

The Honorable Wade Crawford
Secretary for Natural Resources
1416 Ninth Street
Suite 1311
Sacramento, CA 95814

The Honorable Karen Ross
Secretary California Department
of Food and Agriculture
1220 N Street
Sacramento, CA 95814

Ms. Nancy Vogel, Project Director
Governor's Water Resiliency Portfolio
1416 Ninth Street
Sacramento, CA 95824

Dear Secretary Blumenfeld, Secretary Crawford, Secretary Ross and Director Vogel:

Subject: Governor's Water Resiliency Portfolio

The San Gabriel Valley Water Association would like to submit the comments below for consideration in Governor Gavin Newsom's Climate Change Water Resiliency Portfolio. On April 29, Governor Newsom signed an executive order directing the California Natural Resources Agency, the California Environmental Protection Agency and the California Department of Food and Agriculture to develop a comprehensive strategy for meeting future water needs and ensuring environmental and economic resilience in the face of climate change. The San Gabriel Valley Water Association (SGVWA) represents 60 water suppliers that include cities, special districts, investor-owned utilities and mutual water companies in the main San Gabriel Basin of Southern California. Our members manage water for over two (2) million people.

The goal of Governor Newsom's Water Resiliency Portfolio Initiative is to build a roadmap for the future through an inventory of the needs of the state, evaluating the existing frameworks, policies and delivering a plan that holistically addresses the challenges facing our water system and prepares us for the future.

Our Association has been conducting its own local inventory in reaction to the fact that the drought that was declared over in 2016, persists in the San Gabriel Valley to this day. Ninety-percent (90%) of our supplies are comprised of groundwater. Our groundwater basin levels have yet to recover from the last six (6) year drought. Through our members, we are pressing the public to conserve water. This is the case as we continue to remediate the nation's largest drinking water U.S. EPA Superfund site; make special assessments to build future resiliency; lead in encouraging the development of regional recycled water projects; and take care of our disadvantaged communities in trying to comply new and more stringent regulations.

It is through local initiatives and experience that we bring the following recommendations to your attention:

A. Incentivize Regional and Local Water Suppliers to Develop Resiliency

There are vast differences across California in past and current efforts to achieve water supply resiliency. While smaller, older and poorer communities share in the common challenges of maintaining water supply infrastructure and meeting new expensive state regulations, some such systems have the support of larger regional agencies while others do not.

We recommend the following strides toward resiliency :

1. The State should recognize that regional agencies such as the Coachella Valley Water District, the Main San Gabriel Valley Water Master, Mojave Water Agency, Santa Clara Valley Water District, the Water Replenishment District of Southern California, and others are already helping smaller water systems with regulatory compliance issues. In planning the implementation of SB200, the State should, encourage, expand, and incentivize regional agencies in areas where regional collaboration does not include mechanisms for helping water systems serving smaller, older, and poorer communities as described below.
2. Use the helpful disposition of regional entities to expand the assistance they are able to provide to smaller, older and poorer communities through a state reimbursement program that encourages the larger water systems to avail of their economies of scale at marginal cost to smaller, older and poorer water systems that need help with a) Grant Applications; b) Water System Assessments; c) Project Planning & Management; d) Modernization of billing and accounting systems; e) Emergency Planning.
3. Use potential state funding for regional assistance programs through regional agencies as an incentive for parts of the state where regional entities *have not* taken an interest in helping smaller, older and poorer water systems. Eligibility may include Groundwater Sustainability Agencies (GSA's), Integrated Watershed Planning groups, and other Joint Powers Authorities.

Encouraging and expanding integrated regional approaches through highly functioning water systems will be key to helping those less able, preventing “the race to the bottom,” and will result in real statewide resiliency. Otherwise, the state’s current expensive regulatory process will exist in parallel with a resiliency plan that is missing this key component, driving currently well-functioning water systems serving smaller, older and poorer communities into non-compliance.

Regulatory Reform & Restraining “Extra-Regulatory” Proceeding(s)

In 2016, California Superior Court invalidated California’s maximum contaminant level (MCL) for Chromium 6. The court directed the State Water Resources Control Board (SWRCB) to develop a new MCL for Chromium 6 while following the law that requires that the impacts of a regulations’ economic feasibility be assessed. To date, the SWRCB has not released guidelines for the assessment of an MCL’s economic feasibility for Chromium 6 or any other proposed contaminant standard.

Instead, the SWRCB has embarked in setting and revising Notification Levels (NL) and Response Levels (RL) that are intended as advisory about a potential contaminant danger. More specifically, in the current case of perfluoroalkyl substances and polyfluoroalkyl substances (PFOS/PFOA), the process has been confounded by AB756 (Garcia) requiring that suppliers issue “boil water-type” notices, based on exceedance of a Response Level (RL) for PFOS/PFOA before it is fully assessed and regulated. This in effect treats RL’s as an enforceable MCL without providing a scientifically sound process. In the meantime, residents will be left with no answer about what measures may be taken to avoid the risk, as is the case in properly assessed “boil water” notifications when pathogens are found. PFOA/PFOS is so ubiquitous in the environment that it’s reduction in drinking water has not been demonstrated to substantially reduce the risk that can also be encountered from exposure through food, clothing, personal care products, and a multitude of other sources.

These combined factors affecting public perception will require some water suppliers to abandon local water supplies due to the lack of affordability for building treatment plants. Where it is feasible affected suppliers will shift reliance to supplies from the Bay-Delta and/or the Colorado River.

The process being employed by the SWRCB for PFOA/PFOS in California also requires that water suppliers subsidize potential polluters. This is because suppliers are testing wells for potential PFAS/PFOA contamination before the likely sources of the pollution are being required to test. By contrast, Regional Water Quality Control Boards investigating groundwater pollution, typically require that those responsible for potential pollution sources identify the extent of their impact, including drinking water sources.

Some small water suppliers that have been required by the SWRCB to test for PFOA/PFOS have had the benefit of help from regional water agencies. For example, the Main San Gabriel Watermaster has allocated a minimum of \$500,000 for testing by the six (6) water suppliers ordered to test thus far by the SWRCB. However, systems in the Central Coast, Central Valley and other regions of the state do not have such support by any regional water or health authority. This is critical because water suppliers were not notified of orders by the SWRCB to test for PFOA/PFOS until March 2019. The cost for testing for PFOA/PFOS is by orders of magnitude greater than the typical tests that water suppliers must annually conduct. For some small water systems, the state order to test for PFOA/PFOS is double or triple the amount already budgeted for regular water quality compliance. Treatment costs range from \$300 to

\$600 per acre-foot, forcing the doubling of water rates in many water systems that primarily depend on groundwater.

The Governor should discourage these the “extra-regulatory proceedings” taking place with PFOA/PFOS unless there is an imminent threat of immediate and significant health impacts, and means of helping residents avert risks, which has not been documented to be the case with PFOA/PFOS. The scientific process for setting MCLs to reduce long-term cancer risks of one in a population of one-million over a seventy (70)-year lifespan is appropriate.

Finally, the state will not achieve water supply resiliency that is equitable to all residents of the state unless our regulations are economically feasible. Compliance with the court order related to Chromium 6 discussed above, would be immensely helpful toward the goal of resiliency as well.

We appreciate this opportunity to submit our recommendations and look forward to following the process in the administration’s planning effort.

Sincerely yours,

DRAFT