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CUWA’s member agencies are also active on many levels. As described in the Water Supply Reliability Report, CUWA agencies have invested over $20B in programs and improvements over the last 20 years and will carry on with strategic efforts and investments to continue providing a reliable water supply for the 24 million people they serve. More details can be found on individual member agency websites.
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With concerns about long-term finances dominating much of the California Water dialogue in FY 2012, CUWA developed two white papers and policy principles on reliable water financing, promoting a beneficiary pays system. CUWA agencies have also been exploring various financial strategies to address utilities’ declining revenues and declining water demands over the last several years, and they are developing a toolbox of best practices to enable financial sustainability.

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CUWA’s Policy Principles represent member agency consensus on a broad range of important California water issues. CUWA updates and expands its Policy Principles regularly to reflect current thinking on evolving issues and engages in active dialogue with other water leaders across California to share their ideas. In FY 2012, CUWA developed new Reliable Water Financing Policy Principles and updated its Water Quality Policy Principles.

CUWA AGENCIES ARE MAKING STEADY PROGRESS ON TOTAL WATER SAVINGS

Cuwa - annual report

CUWA - ANNUAL REPORT
As of 2010, 64% of the state’s population resides within the areas served by CUWA member agencies.

RETAIL:
- Alameda County Water District (ACWD)
- East Bay Municipal Utility District (EBMUD)
- Los Angeles Department of Water and Power (LADWP)

RETAIL/WHOLESALE:
- Contra Costa Water District (CCWD)
- City of San Diego (San Diego)
- San Francisco Public Utilities Commission (SFPUC)

WHOLESALE:
- Metropolitan Water District of Southern California (MWDSC)
- Santa Clara Valley Water District (SCVWD)
- San Diego County Water Authority (SDCWA)
- Zone 7 Water Agency (Zone 7)

WATER USE EFFICIENCY (WUE) COMMITTEE
• Chair – Jim McDaniel, LADWP

The WUE Committee reviews and evaluates regulatory, technical, cost/benefit and policy issues regarding water recycling, water efficiency and conservation. Over the last year, CUWA member agencies have been active in the Commercial, Institutional, Industrial (CII) Task Force, led by the Department of Water Resources in coordination with the California Urban Water Conservation Council, and provided input to their CII Task Force Best Management Practices Report to the Legislature. Also an Ad Hoc Reuse Regulations Work Group drafted a Comment Letter – Draft Regulations: Groundwater Replenishment with Recycled Water (March 2012), which was submitted to the California Department of Public Health. The committee has been coordinating with California WaterReuse on numerous issues to enhance member agency understanding of proposed recycled water legislation (AB2398) and to inform ongoing development of new recycled water policy principles. The Committee is currently summarizing information on water savings, and will be exploring barriers related to expanding recycled water and the potential of new technologies and practices.
CUWA ACCOMPLISHMENTS

COMMITMENT TO PROTECT WATER QUALITY

BENEFITS OF CUWA MEMBERSHIP

As members, CUWA agencies experience unique benefits, such as:

• Ability to exercise a well-respected and powerful collective urban voice to inform California water policy.
• Efficiency of scale and ability to leverage collective work, which saves on individual agency resource investment on issues of common interest.
• Engagement in a neutral forum that allows agency leaders to exchange ideas and further enhance cooperative relationships through regular Board meetings (6 times/year), ongoing committee efforts and other communication venues.
• Information exchanges, including case studies and lessons learned
• Easy access to a comprehensive and growing library of resource materials through CUWA’s member-only SharePoint site.

OVERVIEW OF ONGOING CUWA EFFORTS

CUWA develops work products through a handful of committees that are periodically updated to reflect high-priority urban water issues. Board members lead each committee, and member agency staff provide technical input. Each committee is guided by a charter that articulates goals and operations and, based on the priorities of the Board, develops an annual work plan that describes specific projects for the coming year. The CUWA Executive Director and committee members also participate in a number of external forums related to committee focus areas.

FY 2012 ACCOMPLISHMENTS

In FY 2012, CUWA’s six active committees produced white papers, reports and other materials to address a wide range of urban water topics—from finance, to water supply reliability, to water quality.

WATER QUALITY (WQ) COMMITTEE

• Chairs - Jerry Brown, CCWD and Jill Duerig, Zone 7

This committee’s top priority over the last several years has been developing a Central Valley Drinking Water Policy (CV-DWP) to protect water quality at Delta intakes. The committee continued work on the policy, in conjunction with the Regional Water Quality Control Board and a stakeholder work group that represents a range of interests. The work group completed a Central Valley Drinking Water Policy Work Group Synthesis Report (February 2012), which documents and synthesizes the results of technical studies conducted to support the development of the policy. In June 2012, the work group completed a first draft of the CV-DWP Staff Report for a Basin Plan Amendment, including a new pathogen narrative objective that is the first of its kind to protect drinking water source quality. Release to the public is planned for early 2013. The Committee also coordinates other Delta source water protection activities and takes action to ensure that CUWA interests are reflected in statewide drinking water regulation and policy. With the release of the draft EIR on the proposed Delta Wetlands project, the committee also submitted comment letters on the draft EIR and Water Rights Permit, and has been coordinating with project developers on revisions of the Water Quality Management Plan to improve management of nutrients and algae issues. In late April, the WQ Committee attended a joint work session and tour of the City of Sacramento’s Combined Sewer System to better understand how the system works and potential water quality implications for downstream drinking water intakes efforts, and to improve coordination.
FINANCIAL SUSTAINABILITY (FS) COMMITTEE

- Chairs - Michael Carlin, SFPUC and Beau Golde, SCVWD

The FS Committee is focusing on the fiscal challenges that urban water agencies face, sharing information on member agency best practices and collectively suggesting strategies to address current challenges. In FY 2012, they began work on a Toolbox of Approaches to Address Revenue Impacts of Declining Demand, which includes alternative rate structures, revenue enhancement opportunities, cost control measures, and potential refinements of conservation pricing to provide sustainable revenues. The committee has a Communications Work Group that is comparing notes on communication strategies, particularly with regard to messaging on rate increases, conservation and the value of water. The committee also oversees a multi-disciplinary BMP 1.4 Ad Hoc Work Group that has clarified flexibility and options for compliance and will be coordinating over the next year with the California Urban Water Conservation Council on their 5-year milestone review of the conservation pricing BMP.

CUWA MAINTAINS A LONG-TERM

Central Valley Drinking Water Policy Timeline

- JULY 2004 Regional Board Resolution
- 2006 Conceptual Models (Organic Carbon, Pathogens, Nutrients and Salinity)
- 2007 Public Scoping
- JULY 2002 Stakeholder Work Group Formed

CUWA INVESTMENTS IN WATER SUPPLY RELIABILITY OVER THE PAST 20 YEARS

- $4B WATER CONSERVATION AND SUPPLY DIVERSIFICATION
- $17B INFRASTRUCTURE AND SYSTEM RELIABILITY IMPROVEMENTS

Not including CUWA wholesale customer investments, or full infrastructure renewal and replacement costs.
PUBLIC INVESTMENT (PI) COMMITTEE

- Chairs - Alex Coate, EBMUD and Debra Man, MWDSC

Discussion of various proposals for a public goods charge for the water sector prompted formation of a CUWA Public Investment Committee in late 2010. In FY 2012, the PI Committee developed a white paper and policy principles to inform ongoing dialogue on approaches to public financing of water-related projects. They produced two phases of a Public Investment White Paper (October 2011 and April 2012) and Policy Principles for Reliable Water Financing. The white papers provide a shared understanding of frequently used terms, present CUWA’s concerns with a public goods charge (PGC) for water and detail a preferred approach to a statewide financing mechanism—the beneficiary pays system. The Phase 2 paper provides more detail on how a beneficiary pays system could be implemented and includes several example projects or programs that demonstrate the application of beneficiary pays principles. The committee’s work was presented to numerous audiences in FY 2012, including a panel discussion on “Financing Our Future” at ACWA’s 2011 Fall Conference, the ACWA Water Finance Task Force, the Bay-Delta Conservation Plan (BDCP) Finance Work Group, and the California Municipal Utilities Association.

URBAN WATER RESOURCES PLANNING (UWRP) COMMITTEE

- Chair - Marsi Steirer, City of San Diego PUD

The UWRP Committee engages in State water planning efforts to help ensure that the urban perspective is represented, including CUWA’s priorities and concerns. In FY 2012, the committee summarized results from member agencies’ Urban Water Management Plans in a Water Supply Reliability Report (June 2012 Draft). The Report documents CUWA agency water management actions and leadership to help solve California’s water crisis. The report quantifies progress on water demand management, diversification of water supplies, and infrastructure/system reliability improvements. In March 2012, the Executive Director highlighted CUWA agency progress on 20x2020 for the Assembly Select Committee on Regional Approaches to Addressing the State’s Water Crisis.
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CUWA
ANNUAL REPORT

FISCAL YEAR
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FOR MORE INFORMATION VISIT: CUWA.ORG