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on tap



CALIFORNIA WATER ASSOCIATION

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Achieving Results.

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MESSAGE FROM THE PRESIDENT

Before the New Year began, the California Water Association (CWA) member companies concluded 2017 by giving back to their communities during the holidays, celebrating the construction of a new treatment unit and releasing a video to explain the importance of infrastructure investments toward ensuring safe and reliable water. Meanwhile, CWA continued addressing statewide water policy issues and submitted a comment letter to the State Water Resources Control Board on proposed regulations for wasteful water-use practices.

January began on a similarly active note with California American Water expanding on an enhanced method of communicating with customers that began in 2017 and with California Water Service meeting a compliance deadline for TCP. At the same time, CWA began planning its spring conference and weighed in on new water legislation designed to help customers of small, troubled water systems. The legislation promotes the state's policy on consolidation of water utility systems that have chronic water quality or supply problems and are handicapped by technical, managerial, financial and/or operational challenges.

The following articles in this edition of *On Tap* spotlight these accomplishments by the CWA members who are committed to delivering high-quality water to their customers:

- CWA Comments on Proposed Regulations Prohibiting Wasteful Water-Use Practices
- CWA Supports Assembly Bill Designed to Facilitate Small Water System Consolidations
- CAW Unveils New Well Treatment Unit in Rancho Cordova
- Cal Water to Meet State Compliance Deadline for TCP Treatment
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- CAW's Personalized Water Bill Videos Enhance Customer Communications
- Liberty Utilities Employees Make the Holidays Brighter for Compton Youth
- Mark Your Calendars for CWA's Spring Conference!

To view *On Tap* in PDF format, [click here](#), or access the online version on CWA's website at www.calwaterassn.com.

Sincerely,

Lawrence M. Morales
East Pasadena Water Company
2017-2018 CWA President

LEGISLATIVE & REGULATORY UPDATE

CWA COMMENTS ON PROPOSED REGULATIONS PROHIBITING WASTEFUL WATER-USE PRACTICES

On December 22, 2017, the California Water Association (CWA) submitted a [comment letter](#) to the State Water Resources Control Board (SWRCB) on the proposed regulation of wasteful water-use practices.

CWA generally supports the proposed restrictions, considering them reasonable and necessary for continued progress in maximizing water-use efficiency; however, in its letter, CWA asked the SWRCB to provide sufficient flexibility to water providers and their communities. This would include allowing local government agencies to tailor restrictions to local circumstances and work with their public water systems on those restrictions. Local circumstances might include supply portfolios, recycled water investments, conservation rate structures, municipal separate storm sewer systems permit conditions, financial incentives and disincentives, etc.

In addition to minor revisions to the listed wasteful water-use practices requested in the comment letter, CWA included the following recommendations:

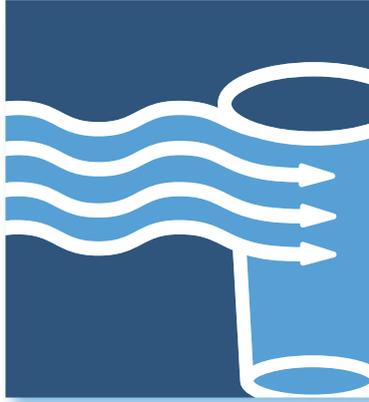
- Modify Sec. 963(b)(1)(E)'s proposed restriction on irrigating turf and ornamental landscapes within 48 hours of measurable rainfall of at least one-tenth of an inch of rain to orient the prohibition to local community implementation.
- Exclude the prohibition to “serve drinking water other than upon request” in eating or drinking establishments.
- Revise and simplify the health and safety exemptions.

CWA will continue to work with the State Water Resources Control Board and its counterpart water utility associations as the rulemaking on wasteful water use prohibitions moves forward. 🌱



LEGISLATIVE & REGULATORY UPDATE

CWA SUPPORTS ASSEMBLY BILL TO FACILITATE SMALL WATER SYSTEM CONSOLIDATIONS



To achieve economies of scale and ensure the delivery of high-quality drinking water, California has been focusing on consolidating small water systems in small cities served by more than one water provider, particularly in communities where systems are out of compliance with drinking water standards. One challenge facing small municipalities that are resource-constrained is an existing law requiring a citywide election before consolidating a municipal system with a more financially and operationally stable neighboring system (even if the water system serves only a portion of the municipality in question). Such an election can be a cost-prohibitive factor for the smaller

communities envisioned by the legislation. The California Water Association recently submitted a [letter of support](#) for the amended version of [Assembly Bill 272](#) (AB 272), which would change that law.

Introduced in February 2017 by Assembly Member Mike A. Gipson (D-Carson) and subsequently amended, AB 272 encourages voluntary consolidation of small municipal water systems into larger systems by permitting a city to sell its public water utility to another public water system under several conditions, including the following:

- The water system serves fewer than 10,000 people and is wholly within the boundaries of the city.
- The city determines it is uneconomical and not in the public interest to own and operate the public utility, and the system has deferred maintenance.
- A majority of the city’s legislative body approves the sale and adopts a resolution at a regularly scheduled meeting that all requirements have been met.
- The system is not sold for less than fair market value and is economically feasible for ratepayers.
- There are at least two other water suppliers in the city, and the system borders the service area of the purchaser.
- There is a protest process that could trigger an election.

CWA’s support letter emphasized that, “Consolidating community water systems reduces operating costs and improves reliability, and consolidating municipal water systems with stronger water systems advances the goal of a reliable, accessible supply of safe drinking water for those California residents that lack such access.”

CWA testified in support of the bill at the policy committee hearing before the Assembly Water, Parks and Wildlife Committee on January 9, 2018, where it passed with only two negative votes. Unfortunately, for reasons unrelated to the substantive policy benefits contained in the bill, the legislation was held when it came before the Assembly Appropriations Committee on January 17. CWA is working on additional amendments with the author, who is planning to reintroduce the bill. 🌍

QUALITY & SERVICE FOCUS

CAW UNVEILS NEW WELL TREATMENT UNIT IN RANCHO CORDOVA



CAW's Operations Director Audie Foster cuts the ribbon at an opening ceremony for the new Nut Plains well treatment unit.

In December, California American Water (CAW) held a ribbon-cutting ceremony commemorating its new Nut Plains well treatment unit in Rancho Cordova, CA. The unit treats water for perfluorooctanoic (PFOA) and perfluorooctanesulfonic (PFOS) acids found in some firefighting foams and other industrial materials. Although the substances are not yet regulated by the federal government, the U.S. Environmental Protection Agency (EPA) prescribes advisory parameters for treatment of them, and CAW chose to move forward with the treatment rather than wait for federal or state government action on a regulatory standard.

In 2014 and 2015, when the issue came to the attention of water quality experts, CAW discovered levels of PFOA and PFOS at the Nut Plains well site that exceeded EPA advisory limits, which were subsequently issued in May 2016. CAW proactively shut the well down and commissioned a treatment unit constructed with a granular-activated carbon system to treat for the two substances. The project costs totaled \$1.28 million.

“Despite the substances not being regulated by the EPA and only infinitesimal amounts were detected in the Nut Plains well, CAW decided to take proactive measures to protect our community, however small the risk,” said CAW’s Director of Operations Audie Foster. “With assistance from state, federal and local government agencies, CAW was able to expedite the project to bring the much needed well back into service. This is a good example of government and the private sector working together to efficiently accomplish the shared goals of ensuring public safety and cost-effective engineering.”



CAW engineers explain how the new well treatment system works to visitors attending the ribbon-cutting ceremony.

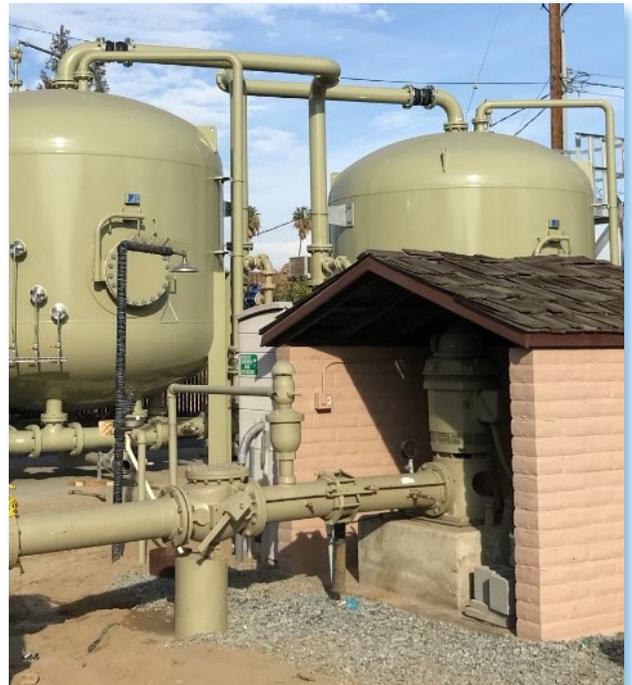
QUALITY & SERVICE FOCUS

CAL WATER TO MEET STATE COMPLIANCE DEADLINE FOR TCP TREATMENT

On January 25, 2018, California Water Service (Cal Water) announced that construction of treatment facilities had been completed to comply with the State Water Resources Control Board's new state standard of 5 parts per trillion for water in its service areas that were adversely affected by 1,2,3-trichloropropane (TCP). A manmade organic chemical used most often as a soil fumigant until the 1980s, TCP seeped into groundwater supplies in Cal Water's Bakersfield, Visalia, Selma, South San Francisco, Stockton and Chico service areas.

To achieve compliance, Cal Water has been constructing granular-activated carbon treatment facilities in stages at affected well sites in its Bakersfield, Visalia and Selma Districts. The first phase of construction focused on treatment at the most critical facilities needed to meet customer demand, with subsequent phases to be completed by summer 2018 to enable additional water sources to be brought online. Cal Water also is meeting the new TCP standard in South San Francisco, Stockton and Chico, where fewer detections of the chemical were discovered.

In a [press release](#), Cal Water's President and Chief Executive Officer Martin A. Kropelnicki said, "Our highest priority has always been to protect the health and safety of our customers. Thanks to the preparation and hard work of our employees, support from our customers and cooperation of our local cities, we continue to deliver a reliable supply of high-quality water that meets increasingly stringent federal and state standards." 🌍



TCP treatment vessels being installed in Cal Water's Central Valley Districts.

MEMBER SPOTLIGHT

NEWLY RELEASED VIDEO HIGHLIGHTS GSWC'S PROACTIVE INFRASTRUCTURE IMPROVEMENT STRATEGY



Golden State Water Company (GSWC)'s commitment to responsibly and proactively maintain the infrastructure of its water systems in Southern, Coastal and Northern California is highlighted in a newly released infrastructure investment video.

Recognizing the importance of water providers maintaining and improving their systems and infrastructure for the delivery of safe, high-quality water, GSWC has invested approximately \$700 million in infrastructure during the last decade, with more than \$110 million spent in 2017. Though some utilities replace pipes every 200 years or more, GSWC's replacement schedule runs closer to every 100 years with 30 to 40 capital projects in progress at any given time to replace outdated pipes.

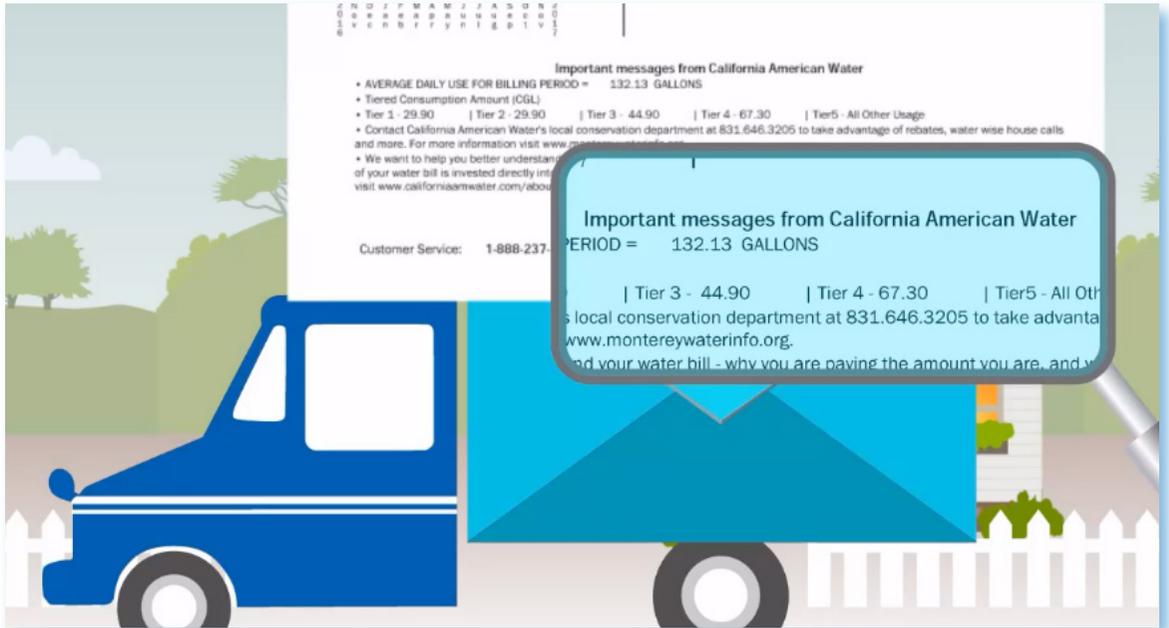
According to GSWC Senior Vice President of Regulated Utilities Denise Kruger, "If a water provider or municipality is not maintaining infrastructure on a regular basis, customers will certainly pay the cost for that at a later date."

INFRASTRUCTURE INVESTMENTS
Water providers have a duty to maintain the infrastructure to ensure the delivery of reliable, quality water is not compromised. At Golden State Water, we take that responsibility seriously.
WATCH VIDEO
Video player interface with play button and progress bar.

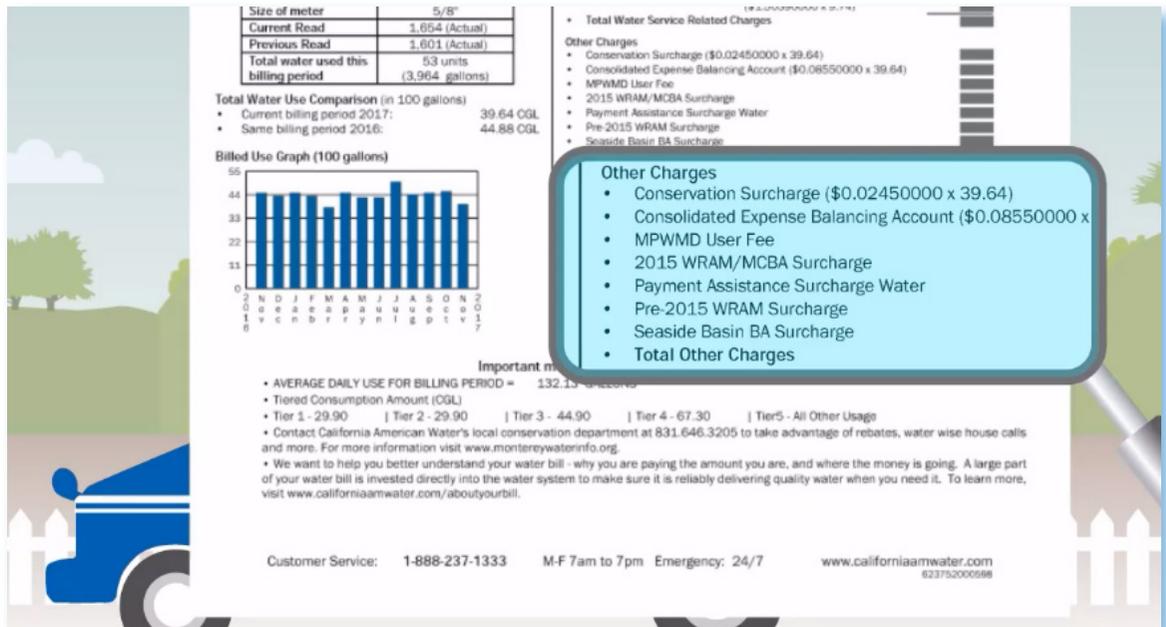
MEMBER SPOTLIGHT

CAW'S PERSONALIZED WATER BILL VIDEOS ENHANCE CUSTOMER COMMUNICATIONS

Beginning in January, California American Water (CAW) customers with email addresses linked to their water accounts can view their personalized water bill by video. This innovative customer-service initiative was designed to enhance customer communication by sending links to the videos by email to residential customers on the Monterey Peninsula. The emails will be sent monthly through March soon after electronic bills are available online and about five days before monthly bills arrive in the mail unless a customer opts to unsubscribe from the emails.



Water usage information highlighted in the personalized video.



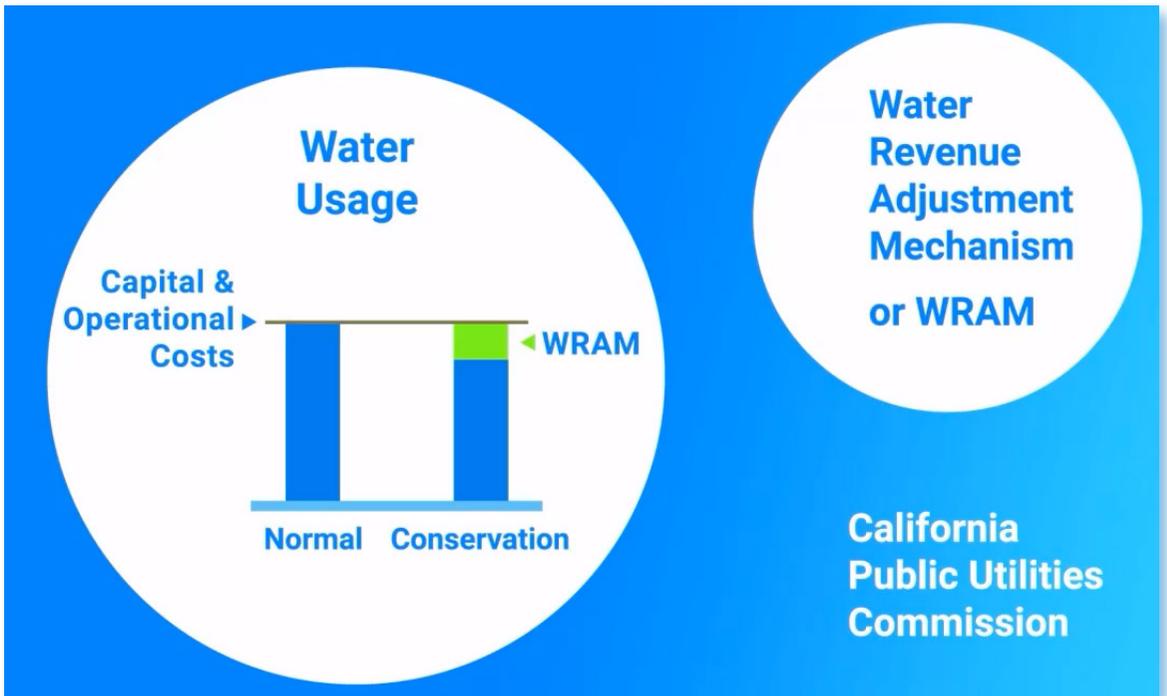
Various charges outlined in the monthly video.

MEMBER SPOTLIGHT

CAW'S PERSONALIZED WATER BILL VIDEOS ENHANCE CUSTOMER COMMUNICATIONS

...CONTINUED

The animated videos demonstrate how to navigate and understand the components of water bills and highlight itemized charges, amounts due and water usage for the current and previous months. They further clarify water service and usage charges, tiered rates and surcharges. The videos also include reminders about state-ordered water-use restrictions, conservation tips and information about services available on CAW's website such as paperless billing registration, links to rebate applications and more.



CAW videos help customers understand water rates.

“With tiered rates and a number of surcharges, water bills on the Monterey Peninsula can appear complicated,” said CAW External Affairs Manager Catherine Stedman. “These videos are designed to improve communication about our water charges as well as helping customers analyze their water use and better understand their bills.”

POINTS OF INTEREST

LIBERTY UTILITIES EMPLOYEES MAKE THE HOLIDAYS BRIGHTER FOR COMPTON YOUTH

In addition to delivering safe and reliable water service, Liberty Utilities demonstrates its commitment to the communities and residents it serves through responsive, local involvement. In keeping with this philosophy, the company’s Liberty Days initiative provides employees with three paid days annually to participate in charitable activities and volunteer in their communities.

During the last weeks of 2017, employees joined Los Angeles Fire Department personnel in Compton, CA, at the Spark of Love Toy Drive benefitting foster children served by Compton’s Department of Children and Family Services (DCFS). On November 30, Liberty Utilities bought \$10,000 worth of toys, which employees loaded into buses on December 1 for transport to DCFS. The [televised Stuff-a-Bus event](#) exemplified Liberty Utilities’ commitment to give back to residents in its Compton service area. On December 16, employees distributed the toys at the Liberty Days holiday event at DCFS, which was attended by hundreds of children and their families.



Liberty Utilities staff partner with the Los Angeles Fire Department to purchase toys for foster children in Compton.



Liberty Utilities and Los Angeles Fire Department staff fill buses with toys to be delivered to DCFS in Compton.

“At Liberty Utilities, we strongly encourage our employees to promote the company’s values by taking part in community events or activities that involve our customers. The Spark of Love Toy Drive is a perfect fit that resonates with our employees,” said Liberty Utilities President Greg Sorenson. “We have taken part in this initiative for more than 15 years because our employees want to ensure the children in our Compton service area have a happy holiday season.” 🎁



Liberty Utilities Director of Operations Frank Heldman accompanies one of the children to pick out a toy at the Liberty Days event.

POINTS OF INTEREST

MARK YOUR CALENDARS!

CWA'S SPRING CONFERENCE!

May 17, 2018

The Citizen Hotel, Sacramento, CA

