

GREAT OAKS WATER COMPANY

P.O. Box 23490 San Jose, CA 95153 (408) 227-9540 tguster@greatoakswater.com

June 9, 2021

California Public Utilities Commission Water Division Room 3102 505 Van Ness Avenue San Francisco, CA 94102-3298

Advice Letter 301-W Great Oaks Water Company (U-162-W) to the California Public Utilities Commission Requesting Authorization to Update and Activate Schedule No. 14.1

Great Oaks Water Company (Great Oaks) transmits this Tier 2 advice letter requesting authority to update and activate its Schedule No. 14.1 Mandatory Water Conservation. The following changes in tariff schedules applicable to Great Oaks entire service area are proposed:

| CPUC Sheet No. | Title of Tariff Sheet | Canceling Sheet No. |
|-------------------|---|------------------------|
| 968-W | Schedule No. 14.1 Mandatory Water Conservation | 814-W |
| 969-W | Schedule No. 14.1 Mandatory Water Conservation | 951-W |
| 970-W | Table of Contents | 967-W |

Summary of Advice Letter 301-W

Great Oaks originally added and activated Schedule No. 14.1, including Section F thereof pertaining to Drought Allocations and Excess Usage Surcharges, through Advice Letter 245-W, filed May 18, 2015, and its supplement, Advice Letter 245-W-A. This was in response to the drought conditions and the local government actions taken in response to the drought during that time.

On July 11, 2016, Great Oaks filed Advice Letter 254-W to modify Schedule No. 14.1 and set Drought Allocations at 20% of 2013 water usage and to update the Excess Usage Surcharge Amount to two-times the newly adopted uniform quantity rate. Advice Letter 254-W was filed in response to the reduction in conservation requirements by the Santa Clara Valley Water District (Valley Water) and other local government agencies.

Through Advice Letter 258-W, filed January 26, 2017, Great Oaks notified the Commission that it was deactivating Stage 2 and Section F of its Tariff Schedule No. 14.1 and activating Stage 1 thereof because Valley Water had removed the 20% mandatory conservation water reductions due to dramatically improved water supply conditions.

Due to current drought conditions, Valley Water has again issued mandatory water conservation use reductions. On June 9, 2021, Valley Water adopted a resolution calling for mandatory water use reductions of 15% compared to 2019 water use. An unsigned copy of the Valley Water resolution is attached hereto as Exhibit A.

This Advice Letter 301-W is filed to, first, update Great Oaks' Schedule No. 14.1 to comply with the Valley Water mandatory conservation resolution. Specifically, this Advice Letter requests authority to: (1) update Section F Drought Allocations and Excess Usage Surcharges to correspond to the level of mandatory conservation required by Valley Water; and (2) update drought allocations for single-family residential customers without 2019 usage history. Proposed tariff sheets with the requested updates are attached hereto.

Great Oaks also requests authority to activate the updated Schedule No. 14.1 after it has provided evidence that Great Oaks has complied with the Drought Procedures of Standard Practice U-40-W (adopted by the Commission through Resolution W-4976). Notice of this Advice Letter and the associated public hearing is being provided to customers by direct mailing. The public hearing will be held on Monday, June 28, 2021, at 3:00 p.m. via Zoom. A copy of the notice is attached as Exhibit B. The notice is also being published in the San Jose Mercury News. A copy of proof of publication will be provided to the Commission's Water Division following publication. Great Oaks will notify the Commission's Water Division of the results of the public hearing shortly thereafter.

Calculation of Drought Allocations

Drought allocations were calculated using 2019 customer usage amounts and then reducing that usage by 15% across all classes. Each customer bill will show 2019 usage for the next billing period and the allocation for the next billing period (2019 usage reduced by 15%).

For single-family residential customers who were not customers of Great Oaks in 2019, allocations are based upon average single-family customer usage in 2019, reduced by 15%. Since usage is seasonal, the percentage of annual usage for each month was calculated and is shown in the table below. Monthly amounts are pro-rated for billing and conservation purposes, as meter readings are seldom on the first day of the month. Each customer may appeal its allocations pursuant to the process provided in Section I of Schedule No. 14.1.

In 2019, average annual single-family residential customer usage was 115.75 ccfs. When reduced by 15%, the average annual single-family residential usage for mandatory water conservation purposes is 98.4 ccfs. The table below shows 2019 monthly seasonal usage and will be used for allocation for single-family residential customers who were not customers of Great Oaks in 2019. All amounts were rounded down as meter readings are in whole numbers only. The minimum monthly usage amount is set at 6 ccfs, which is also the baseline usage amount set in Commission Decision (D.) 20-08-047.

| Month | Allocation | Month | Allocation |
|----------|------------|-----------|------------|
| January | 7 | July | 12 |
| February | 6 | August | 10 |
| March | 6 | September | 10 |
| April | 6 | October | 9 |
| May | 7 | November | 8 |
| June | 11 | December | 7 |

Other Pending Advice Letters

On May 18, 2021, Great Oaks filed and served Advice Letter 300-W requesting authorization to establish a surcharge to recover increased groundwater charges (pump taxes) levied by Valley Water. On June 2, 2021, at the request of the Commission's Water Division, Great Oaks filed supplemental Advice Letter 300-W-A, which requested a change in base rates to recover the increased groundwater charges instead of the originally proposed surcharge. Advice Letter 302-W was also filed and served on this same date. Advice Letter 302-W requests authority for a Conservation Lost Revenue and Expense Memorandum Account pursuant to Standard Practice U-40-W. The requested memorandum account is consistent with Advice Letter 301-W.

Effects on Average Customer Bills

Provided customers comply with the mandatory water conservation requirements of Schedule No. 14.1, there is no effect on customer bills. Should customers exceed the allocations for mandatory water conservation and incur excess usage surcharges, bills for those customers will increase. It is not possible to estimate the amount of such increases, as customer usage will vary. Great Oaks' revenue requirement does not increase as a result of this Advice Letter.

No Effect on Water Service

This Advice Letter filing will not cause the withdrawal of service, nor conflict with other schedules or rules.

Effective Date - July 13, 2021

Great Oaks requests that this Advice Letter 301-W be approved and that Schedule No. 14.1 State 2 Mandatory Conservation Measures be effective as of July 13, 2021.

Tier Designation

This is a Tier 2 Advice Letter pursuant to Standard Practice U-40-W.

Notice and Service

Notice was provided by publishing a legal notice in the form attached hereto as Exhibit B in the San Jose Mercury News, a newspaper of local circulation, pursuant to General Order 96-B, Water Industry Rule 3.1. Proof of publication will be provided to the Commission when notification had been completed. Notice is also being provided to all customers by direct mail.

Protests and Responses

Anyone may protest and respond to this Advice Letter. A Response supports the filing and may contain information that proves useful to the Commission in evaluating the Advice Letter. A Protest objects to the Advice Letter in whole or in part and must set forth specific grounds on which it is based. These grounds may be based upon the following: (1) The utility did not properly serve or give notice of the Advice Letter;

(2) The relief requested in the Advice Letter would violate a statute or Commission order, or is not authorized by statute or Commission order on which the utility relies; or

(3) The analysis, calculations, or data in the Advice Letter contain material error or omissions; or

or

(4) The relief requested in the Advice Letter is pending before the Commission in a formal proceeding; or

(5) The relief requested in the Advice Letter requires consideration in a formal hearing, or is otherwise inappropriate for the Advice Letter process; or

(6) The relief requested in the Advice Letter is unjust, unreasonable, or discriminatory (provided that such a Protest may not be made where it would require re-litigating a prior order of the Commission).

Any Protest or Response must be made in writing or by electronic mail and must be received by the Water Division of the Commission within 20 days of the date this Advice Letter is filed. The Advice Letter process does not provide for any Protests, Responses or other comments, except for a reply by Great Oaks, after the 20-day comment period expires. The address for mailing or delivering a Protest or Response is:

> Tariff Unit, Water Division, 3rd floor California Public Utilities Commission, 505 Van Ness Avenue, San Francisco, CA 94102 water_division@cpuc.ca.gov

On the same date any Protest or Response is submitted to the Water Division, the protesting or responding person, entity or party must serve a copy of the Protest or Response on Great Oaks addressed to Timothy S. Guster, Great Oaks Water Co., PO Box 23490, San Jose, CA 95153, 408-227-9540, 408 227-7126 (fax), email: tguster@greatoakswater.com.

Great Oaks Water Company

/s/

Timothy S. Guster General Counsel Legal and Regulatory Affairs

VERIFICATION

I am an officer of the Great Oaks Water Company and am authorized to make this verification on its behalf. The statements in the foregoing document, Great Oaks Water Co.'s Advice supplemental Letter 301-W, are true of my own knowledge, except as to matters that are therein stated on information and belief, and as to those matters I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on June 9, 2021 at San Jose, California.

/s/ Timothy S. Guster

Certificate of Service

I hereby certify that I have this day served a copy of Great Oaks Water Co.'s supplemental Advice Letter 301-W on the parties listed on the following Distribution List by mailing a properly addressed copy by email (designated (e)) or first class mail with postage prepaid. Workpapers are available upon request.

Executed on June 9, 2021 at San Jose, California.

/s/ Timothy S. Guster

Great Oaks Water Co. Distribution List

Municipal Water System City of San Jose 3025 Tuers Road San Jose, CA 95121

Safe Drinking Water Office Department of Water Resources 1416 9th Street, Room 804 Sacramento, CA 95814

Santa Clara Valley Water District 5750 Almaden Expressway San Jose, CA 95118

Richard Rauschmeier (e) Public Advocates Office California Public Utilities Commission 505 Van Ness Avenue San Francisco, CA 94102

Legal Division California Public Utilities Commission 505 Van Ness Avenue San Francisco, CA 94102-3214 County Clerk County of Santa Clara 70 W. Hedding Street San Jose, CA 95110

Office of Regulatory Affairs(e) California Water Service Company 1720 North First Street San Jose, CA 95112

Syreeta Gibbs (e) Public Advocates Office California Public Utilities Commission 505 Van Ness Avenue San Francisco, CA 94102

Regulatory Affairs (e) San Jose Water Company 110 West Taylor Street San Jose, CA 95156

Great Oaks Water Company Advice Letter 301-W

Proposed Tariff Sheets

968-W

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Schedule No. 14.1 MANDATORY WATER CONSERVATION (continued)

D. MANDATORY WATER USE RESTRICTIONS AT EACH STAGE

1. In addition to the water use restrictions listed in the Utility's Rule No. 14.1 - Section A (Conservation - Non-Essential or Unauthorized Water Use), which become mandatory restrictions when any Stage of Schedule No. 14.1 is activated, the following mandatory excess water use restrictions apply to water usage at each stage of mandatory conservation measures. These reduced usage levels shall be determined based upon either historical average customer usage for a defined time period, average customer class usage for a defined time period, or another method that accounts for historical customer conservation efforts:

- a. <u>Stage 1</u>: Customer usage reduced by 90.00% to 99.9% of specific level.
- b. Stage 2: Customer usage reduced to 80.00% to 89.99% of specified level.
- c. Stage 3: Customer usage reduced to 79.99% or less of specified level.

E. UNAUTHORIZED USE SURCHARGES

1. When a Stage of this Schedule No. 14.1 has been activated with Commission authorization, the water use restrictions of Section A of Rule No. 14.1, as well as those listed in Section D of this Schedule No. 14.1 become mandatory. If a customer violates such water use restrictions, as set forth in Section A of Rule No. 14.1 and in the Section H. Special Conditions of this Schedule No. 14.1, the customer will be subject to the following Unauthorized Use Surcharges:

- a. First Offense: Written warning mailed to customer.
- b. Second Offense (same restriction): \$25.00 Unauthorized Use Surcharge.
- c. Each Additional Offense (same restriction): \$25.00 more than previous Unauthorized Use Surcharge.

2. Offenses for separate water use restrictions will go through the same progressive levels as provided in subsection 1, above.

F. DROUGHT ALLOCATIONS AND EXCESS USAGE SURCHARGES

1. For all potable water customers, the Drought Allocation is based upon individual customer usage in 2019, the base year applicable to this Schedule No. 14.1, less the percentage of conservation required, as determined by appropriate state and/or local authorities. For this Schedule No. 14.1, the percentage of conservation required is fifteen percent (15%), making the Drought Allocation equal to eighty five percent (85%) of individual customer usage in 2019.

| (T | o be inserted by utility) | Issued by | (To be inserted by Cal. P.U.C.) |
|----------------------|---------------------------|------------------------------------|---------------------------------|
| Advice Letter | • No. <u>301-W</u> | <u>Timothy S. Guster</u> | Date Filed |
| | | NAME | |
| Decision No. | <u>Res.</u> W-4976 | Vice President and General Counsel | Effective |
| | | TITLE | |
| | | | Decision/Resolution No. |

Schedule No. 14.1 MANDATORY WATER CONSERVATION (continued)

2. In recognition that some single-family residential customers conserve water at all times, not just in times of drought, a minimum Drought Allocation has been established of 6 ccf per month (4,488 gallons per month) for this Schedule No. 14.1. In practice, if the Drought Allocation for a single-family residential customer based upon actual 2019 usage calculates to less than 6 ccf per month, that customer's Drought Allocation will be set at 6 ccf per month pursuant to this minimum Drought Allocation procedure.

3. In recognition that some single-family residential customers do not have an established 2019 history of usage, the following table shows the Drought Allocations that will be applied to those single-family residential customers without an established 2019 history of usage.

| | Drought Allocat | ions for Single-Family | |
|----------|----------------------|------------------------|------|
| R | esidential Customers | Without 2019 Usage His | tory |
| | (all va | lues in ccf) | |
| January | 7 | July | 12 |
| February | 6 | August | 10 |
| March | 6 | September | 10 |
| April | 6 | October | 9 |
| May | 7 | November | 8 |
| June | 11 | December | 7 |

5. If a customer exceeds an applicable Drought Allocation, the customer shall be subject to the following Excess Usage Surcharge:

For usage over the applicable Drought Allocation (i.e., the amount of excess usage), the customer shall be charged two-times the Schedule No. 1 quantity rate for all water delivered, per 100 Cu.Ft.

6. Excess Usage Surcharges shall be in addition to all other charges for water service. Customers participating in the Utility's Low Income Customer Assistance Programs shall be entitled to a 50% reduction in Excess Usage Surcharges upon written request.

7. If a customer exceeds an applicable Drought Allocation in three consecutive billing periods, in addition to the Excess Usage Surcharges for such violations, the Utility may install a flow-restricting device on the customer's service line, subject to the following conditions:

a. The flow-restricting device shall be capable of providing a minimum of 3 ccf per person per month to the service residence, based upon the actual or estimated number of persons living in the service residence. A flow-restricting device shall not be installed if doing so would violate fire flow requirements.

| (To be inserted by utility) | Issued by | (To be inserted by Cal. P.U.C.) |
|---------------------------------|------------------------------------|---------------------------------|
| Advice Letter No. <u>301-W</u> | Timothy S. Guster | Date Filed |
| | NAME | |
| Decision No. <u>Res. W-4976</u> | Vice President and General Counsel | _ Effective |
| | TITLE | |
| | Decisio | on/Resolution No. |

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 Issued by
 (To be inserted by Cal. P.U.C.)

 Advice Letter No.
 301-W
 Timothy S. Guster
 Date Filed

 NAME
 VP & General Counsel
 Effective

Great Oaks Water Company

Advice Letter 301-W

Exhibit A Santa Clara Valley Water District Resolution Calling for Mandatory Water Conservation Adopted at Special Board Meeting on June 9, 2021

BOARD OF DIRECTORS SANTA CLARA VALLEY WATER DISTRICT

RESOLUTION NO. 21-

RESCINDING RESOLUTION 17-43, DECLARING A WATER SHORTAGE EMERGENCY CONDITION CALLING FOR WATER USE RESTRICTIONS, AND URGING THE COUNTY OF SANTA CLARA TO PROCLAIM A LOCAL EMERGENCY

WHEREAS, a public hearing was held on June 9, 2021, on the matter of whether the Santa Clara Valley Water District (Valley Water) Board of Directors should declare that a water shortage emergency condition exists within Santa Clara County (County); and

WHEREAS, notice of said hearing was published on June 2, 2021, in the *San Jose Mercury News*, a newspaper of general circulation printed and published within the County; and

WHEREAS, at said hearing, all persons present were given an opportunity to be heard by the Board; and

WHEREAS, the Board heard and considered public testimony, staff's presentation, and other evidence presented at said hearing; and

WHEREAS, the County is in its second consecutive year of drought, and the County is now in an extreme drought condition according to the United States Drought Monitor; and

WHEREAS, pursuant to Water Code Section 350 a "governing body of a distributor of a public water supply, whether publicly or privately owned and including a mutual water company, shall declare a water shortage emergency condition to prevail within the area served by such distributor whenever it finds and determines that the ordinary demands and requirements of water consumers cannot be satisfied without depleting the water supply of the distributor to the extent that there would be insufficient water for human consumption, sanitation, and fire protection"; and

WHEREAS, the Board seeks to conserve the limited water supply of Valley Water for the greatest public benefit with particular regard to public health, fire protection, and domestic use without threatening local land subsidence, by ensuring the conservation of water, by avoiding the waste of water, and to the extent necessary and by reason of the existing water shortage emergency condition, by reducing water use in the County in a manner that is fair and equitable; and

WHEREAS, on March 22, 2021, the California State Water Resources Control Board mailed early warning notices to water rights holders in California, including Valley Water, urging them to plan for potential shortages by reducing water use and adopting practical conservation measures; and

WHEREAS, local watershed runoff was substantially limited in the 2020 and 2021 water years due to extreme dry conditions and Valley Water's current local surface water storage as of June 1 is at 26 percent of the 20-year average; and

WHEREAS, Anderson Reservoir is Valley Water's largest surface water reservoir and holds up to 89,278 acre-feet of water—more than all of Valley Water's other nine surface water reservoirs combined; and

WHEREAS, on February 20, 2020, the Federal Energy Regulatory Commission, for public health and safety reasons, ordered Valley Water to drain Anderson Reservoir to deadpool beginning no later than October 1, 2020; and

WHEREAS, Anderson Reservoir has been drained to deadpool and will not be available as a surface water storage facility for the duration of the Anderson Dam Seismic Retrofit Project, which is expected to last 10 years; and

WHEREAS, the availability of Coyote Reservoir, Valley Water's second largest reservoir, is also limited because of California Department of Water Resources Division of Safety of Dams storage limits; and

WHEREAS, due to the unavailability of Anderson Reservoir and limited availability of Coyote Reservoir due to regulatory restrictions, Valley Water's ability to store water locally for groundwater recharge and water treatment plant supplies, and as a buffer to mitigate against current and future water shortages, is significantly limited; and

WHEREAS, the snowpack in the northern Sierra Nevada Mountains was 5 percent of normal and the statewide snow water equivalent was zero percent of normal as of June 1, 2021; and the 2021 State Water Project allocation is 5 percent, and the 2021 South-of-Delta Central Valley Project allocation is currently 25 percent for Municipal & Industrial water and zero percent for Agricultural water; and

WHEREAS, there is significant uncertainty as to local and statewide water supply conditions, and imported supplies may continue to be negatively impacted; and

WHEREAS, Santa Clara County relies heavily on unpredictable imported water to supplement local water to supply its drinking water treatment plants, to replenish the local groundwater basins, and to prevent adverse community impacts such as the return of historic overdraft and land subsidence in northern Santa Clara County; and

WHEREAS, through careful groundwater management, Santa Clara County groundwater storage at the start of 2021 was well within the "Normal" stage (Stage 1) of Valley Water's Water Shortage Contingency Plan, but without additional water use reduction this storage is expected to drop significantly by as much as 80,000 acre-feet by the end of 2021 due to limited recharge and increased pumping as a result of drought conditions, reduced imported water allocations, and the loss of Anderson Reservoir as a surface water storage facility; and

WHEREAS, if drought conditions continue into 2022 and imported water supplies continue to be severely limited, the worst case scenario projects groundwater to drop to the "Emergency" stage (Stage 5) of the Water Shortage Contingency Plan without additional water use reduction, which would greatly increase the risk of resumed land subsidence in northern Santa Clara County, risk wells going dry in residential areas of the County where groundwater is the sole source of drinking water, and risk that the ordinary demands and requirements of water consumers will

not be satisfied without depleting the water supply to the extent that there would be insufficient water for human consumption, sanitation, and fire protection; and

WHEREAS, due to historic groundwater overdraft, the greater San José metropolitan area and heart of Silicon Valley had up to 14 feet of permanent subsidence, which resulted in seawater intrusion, increased flood risk, and widespread damage to infrastructure, conservatively estimated to cost over \$947 million in 2021 dollars; and

WHEREAS, over 3,000 domestic wells users in southern Santa Clara County depend on groundwater for potable water supplies and these wells are often more vulnerable than public water supply wells, which are typically deeper; and

WHEREAS, Valley Water must maintain sufficient groundwater storage to guard against land subsidence, meet local water demands, cope with supply interruptions from natural disasters and ensure sufficient water for fire protection; and

WHEREAS, it is Valley Water's policy and is in the interest of Valley Water and the community to reduce the severity and occurrences of drought or dry weather induced water shortages by encouraging water use reduction measures so that available water supplies can meet at least 80 percent of average annual demand in drought years; and

WHEREAS, Santa Clara County and the region are subject to reoccurring droughts of varying severity, such as those prompting Valley Water to call for water use reductions in 1977, 1987 to 1992, 2007 to 2010; and

WHEREAS, Santa Clara County and California experienced a historic, multiyear drought from 2012 to 2016, prompting Valley Water to call for mandatory water use reductions between 20 to 30 percent since 2014; and

WHEREAS, on June 13, 2017, by Resolution 17-43, Valley Water continued its call for a voluntary 20 percent water use reduction (as compared to 2013 water use), and called for efforts to make water conservation a way of life; and

WHEREAS, on April 27, 2021, the Board voted to call for a voluntary 25 percent water use reduction (as compared to 2013 water use); and

WHEREAS, continuing the progress and momentum of community water use reductions and water wise efforts to make water conservation a way of life will improve long-term water supply reliability; and

WHEREAS, increasing long-term water conservation efforts and improving water use efficiency; strengthening local and regional drought planning; and increasing water supply and land use planning coordination are critical to Santa Clara County's resilience to drought, which may be intensified in the future with climate change; and

WHEREAS, Valley Water continues to work closely with its retail water agencies, untreated surface water customers, well owners, farmers, regulatory agencies, state and federal project operators, other water districts, and local municipalities and land use agencies to develop common sense approaches with the goal of achieving drought resiliency.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Santa Clara Valley Water District hereby:

- 1. Rescinds Board Resolution 17-43; and
- 2. Declares pursuant to California Water Code Section 350 that a water shortage emergency condition now prevails within the County and a continued supply of water cannot be assured for human consumption, sanitation, and fire protection without threatening local land subsidence, and that such water shortage emergency condition shall continue until the Valley Water's Board adopts a finding determining otherwise; and
- 3. *Establishes a water reduction program pursuant to Article C(4)(c) of Valley Water's treated water contracts by calling for water retailers to achieve a water use reduction equal to 33 percent of 2013 water use (15 percent of 2019 water use), which will result in a 23 percent reduction of Valley Water treated water scheduled deliveries to water retailers while such water reduction program is in effect; and
- 4. Commits to aggressively promote its conservation programs and information for the public, residents, businesses, agricultural and untreated water customers, and retailers to support all sectors in reducing water use; and
- 5. Urges Santa Clara County farmers and untreated water customers to consider the water shortage emergency condition in planting and irrigation practices; and
- 6. Calls for the public to restrict outdoor watering of ornamental landscapes or lawns with potable water to a maximum of three days a week; and
- 7. Urges local enforcement of other water waste restrictions currently in effect by local agencies and retailers, or as may be amended; and
- 8. Requests that the Santa Clara County Board of Supervisors proclaim a local emergency now exists throughout the County due to drought conditions; and
- 9. Supports local adoption and enforcement of additional water waste restrictions by cities, retailers, and the County as needed to achieve the water use reduction target of 15 percent of 2019 water use (33 percent of 2013 water use); these may include prohibitions against the following:
 - Use of potable water for more than minimal landscaping, as defined in the landscaping regulated of the jurisdiction or as described in Article 10.8 of the California Government Code in connection with new construction;
 - Excessive use of water: when a utility has notified the customer in writing to repair a broken or defective plumbing, sprinkler, watering or irrigation system and the customer has failed to affect such repairs within five business days, the utility may install a flow restriction device;
 - Use of potable water that results in flooding or runoff in gutters or streets;

- Individual private washing of cars with a hose except with the use of a positive action shut-off nozzle. Use of potable water for washing commercial aircraft, cars, buses, boats, trailers, or other commercial vehicles at any time, except at commercial or fleet vehicle or boat washing facilities operated at a fixed location where equipment using water is properly maintained to avoid wasteful use;
- Use of potable water for washing buildings, structures, driveways, patios, parking lots, tennis courts, or other hard-surfaced areas, except in the cases where health and safety are at risk;
- Use of potable water to irrigate turf, lawns, gardens, or ornamental landscaping by means other than drip irrigation, or hand watering without quick acting positive action shut-off nozzles, on a specific schedule, for example: 1) before 9:00 a.m. and after 5:00 p.m.; 2) every other day; or 3) selected days of the week;
- Use of potable water for street cleaning with trucks, except for initial wash-down for construction purposes (if street sweeping is not feasible), or to protect the health and safety of the public;
- Use of potable water for construction purposes, such as consolidation of backfill, dust control, or other uses unless no other source of water or other method can be used;
- Use of potable water for construction purposes unless no other source of water or other method can be used;
- Use of potable water for street cleaning;
- Operation of commercial car washes without recycling at least 50 percent of the potable water used per cycle;
- Use of potable water for watering outside plants, lawn, landscape, and turf areas during certain hours if and when specified in CPUC Tariff Schedule No. 14.1 when the schedule is in effect;
- Use of potable water for decorative fountains or the filling or topping off of decorative lakes or ponds. Exceptions are made for those decorative fountains, lakes, or ponds which utilize recycled water;
- Use of potable water for the filling or refilling of swimming pools;
- Service of water by any restaurant except upon the request of a patron; and
- Use of potable water to flush hydrants, except where required for public health or safety.
- 10. Recommends cities, retailers, and the County consider adopting water waste restrictions that are permanent.

PASSED AND ADOPTED by the Board of Directors of the Santa Clara Valley Water District by the following vote on June 9, 2021:

- AYES: Directors
- NOES: Directors
- ABSENT: Directors
- ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

TONY ESTREMERA Chair, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors

Great Oaks Water Company

Advice Letter 301-W

Exhibit B

Notice to Customers of Advice Letter 301-W and Activation of Schedule No. 14.1 Stage 2 Mandatory Conservation Measures

NOTICE OF PROPOSED MANDATORY CONSERVATION TARIFF SCHEDULE WITH DROUGHT ALLOCATIONS AND SURCHARGES

PUBLIC HEARING - JUNE 28, 2021 at 3:00 p.m. via Zoom Video Conference

Great Oaks Water Company (Great Oaks) has requested authority from the California Public Utilities Commission (Commission) to add and activate a Mandatory Conservation tariff Schedule No. 14.1 applicable to all customers with drought allocations, unauthorized use and excess usage surcharges, and mandatory conservation measures, all of which will go into effect when approved by the Commission.

Great Oaks will hold a public hearing via Zoom on June 28, 2021 at 3:00 p.m. to explain the proposed tariff schedule and receive public input. Information on how to participate are provided below.

Great Oaks' proposed Schedule No. 14.1 is consistent with the Water Shortage Emergency declared by the Santa Clara Valley Water District (Valley Water) and mandatory water conservation use restrictions adopted by Valley Water on June 9, 2021.

The proposed Schedule No. 14.1 includes Drought Allocations for all customer classes based upon 85% of each individual customer's 2019 water usage. Exceeding an assigned Drought Allocation will result in the imposition of Excess Usage Surcharges in the amount of \$6.9804 per hundred cubic feet (ccf) of water used in excess of the customer's Drought Allocation. Surcharges proposed under Schedule No. 14.1 are in addition to all other charges for water used. Repeat violations may result in the installation of flow-restricting devices at service locations.

Great Oaks' proposals account for many single-family residential customers who are already conserving water by setting minimum Drought Allocations so that those customers will not have to conserve additional amounts to avoid excess usage surcharges. The proposals also include an appeals process for customers alleging unfair treatment.

The public hearing will afford customers the opportunity to ask questions and express their views on the proposed tariff schedule. Great Oaks will provide explanations of the proposed tariff schedule and respond to customer questions. Please submit questions prior to the hearing to **conservation@greatoakswater.com** so that the questions may be included in the record of the public hearing.

The public hearing will be held by Zoom Video Conference due to continuing restrictions on large gatherings. **The public hearing will begin at 3:00 p.m. on Monday, June 28, 2021**. Join the Zoom Meeting via computer: https://zoom.us/j/95359466931?pwd=WWdkc0Njd0gyT0ZZMDVEZDV0YzdBQT09. Meeting ID: 953 5946 6931. Passcode: 724202. To join by telephone, dial: +1 669 900 6833 US (San Jose). Meeting ID: 953 5946 6931. Passcode: 724202

Section 351 of the California Water Code provides that, except in cases of extreme emergency, a public hearing will be held at which consumers shall have an opportunity to be heard to protest against the declaration of water rationing and to present their respective needs. Customers wishing to provide information or comments regarding Great Oaks' proposed Mandatory Water Conservation Tariff Schedule No. 14.1 may write to the Commission at this address:

California Public Utilities Commission Attention: Program Manager Division of Water and Audits, Room 3106 505 Van Ness Avenue San Francisco, CA 94102

Please reference Great Oaks' Advice Letter 301-W on all correspondence. Any comments must be sent no later than twenty days after this Notice was mailed.

A copy of Great Oaks' Advice Letter 301-W and the proposed Tariff Schedule No. 14.1 may be reviewed on Great Oaks' website at https://greatoakswater.com/water_rates.htm.