Rule No. 14.1
Water Conservation And Reduction Plan

GENERAL INFORMATION

1. If requested by a water wholesaler or government agency or if water supplies are projected to be insufficient to meet normal customer demands and are beyond the control of the utility, the utility may elect to activate voluntary conservation using the portion of this plan set forth in Section A of this Rule, after notifying the Director of the Commission's Water Division (WD) of its intent in e-mailed format. The utility's customers shall be notified of the voluntary conservation measures through a bill insert, direct mailing, or electronic notification.

2. Prior or subsequent to the declaration of mandatory reduction by a water wholesaler or government agency, or in the opinion of the utility, mandatory conservation or reduction is needed, the utility may request adding a Schedule No. 14.1 – Water Shortage Contingency Plan with Staged Mandatory Restrictions, Reductions And Drought Surcharges tariff (Schedule No. 14.1), via a Tier 2 advice letter. The utility may request a lost revenue memorandum account at this time.

3. Schedule No. 14.1 complies with the requirements of the Water Shortage Contingency Plan (WSCP) in Water Code Section 10632 of the Urban Water Management Planning Act.

4. The WSCP requires water suppliers to adopt six water shortage stages, which correspond to progressively severe water shortage conditions (up to 10%, 20%, 30%, 40%, 50%, and greater than 50% shortage) as compared to normal reliability conditions. These water shortage stages have been standardized to allow for a consistent regional and statewide approach to conveying the relative severity of water supply shortage conditions. Reduction of available water supply by the indicated percentages or an equivalent regulatory requirement will trigger an appropriate water shortage stage, and GSWC will implement the response actions as specified in Schedule No. 14.1.

5. The utility shall file a Tier 2 advice letter to request activation of a particular stage of Schedule No. 14.1.
    a. If a Declaration of Mandatory Reductions is made by utility, wholesale supplier, or governing agency, or
    b. If the utility is unable to address voluntary conservation levels set by itself, its wholesale supplier, or governing agency, or
    c. If the utility chooses to activate a greater shortage stage

(Continued)

Rule No. 14.1
Water Conservation And Reduction Plan

GENERAL INFORMATION (Continued)

6. When Schedule No. 14.1 is activated and the utility determines that water supplies are again sufficient to meet normal demands, and mandatory rationing measures are no longer necessary, the utility shall seek Commission approval via a Tier 1 advice letter to deactivate the particular stage of mandatory reduction that had been authorized.

7. In the event of a water supply shortage requiring a voluntary or mandatory conservation or demand reduction program, the utility shall make available to its customers water conservation kits as required by its version of Rule No. 20. The utility shall notify all customers of the availability of conservation kits via a bill insert, direct mailers, or electronic notification.

A. VOLUNTARY CONSERVATION

1. Other than upon request, water should not be served in eating and drinking establishments, including but not limited to restaurants, hotels, cafes, bars, or other public places where food or drink are served and/or purchased.
2. Hotels/motels must provide guests with the option of choosing not to have towels and linens laundered daily and prominently display notice of this option.
3. Potable water used for irrigation outside of newly constructed homes and buildings shall only be delivered by drip or micro spray systems.
4. Commercial, industrial, and institutional properties, such as campuses, golf courses, and cemeteries, shall immediately implement water efficiency measures to reduce potable water use in an amount consistent with the required reduction.

B. NON-ESSENTIAL OR UNAUTHORIZED WATER

1. No customer shall use utility-supplied water for non-essential or unauthorized uses as defined by the State of California or local ordinances.

2. Water waste resulting from a failure to repair or mitigate any leaks, breaks, or other malfunction in a customer's domestic or outdoor water system within forty-eight (48) hours of notification by the utility, unless other specific arrangements are made and agreed to by the utility, may result in termination of service in accordance with Rule No. 11.

3. The application of potable water to outdoor landscapes in a manner that causes runoff onto adjacent property, non-irrigated areas, private and public walkways, roadways, parking lots, or structures.

(Continued)

Rule No. 14.1
Water Conservation And Reduction Plan

B. NON-ESSENTIAL OR UNAUTHORIZED WATER USE (Continued)

4. The use of a hose that dispenses potable water to wash a motor vehicle, except where the hose is fitted with a shutoff nozzle or device attached to it that causes it to cease dispensing water immediately when not in use.

5. The use of potable water for washing buildings, structures, sidewalks, walkways, patios, tennis courts, or other hard surfaced, nonporous areas except to protect the health and safety of the public.

6. Use of potable water for watering streets with trucks or other vehicles, except for initial wash-down for construction purposes (if street sweeping is not feasible), or to protect public health and safety.

7. The use of portable water in a fountain or other decorative water feature, except where the water is part of a recirculating system.

8. The use of potable water for the irrigation of non-functional turf at commercial, industrial and institutional sites.

   (a) The use of potable water for the irrigation of nonfunctional turf located on commercial, industrial, and institutional properties, other than a cemetery, and on properties of homeowners' associations, common interest developments, and community service organizations or similar entities is prohibited as of the following dates: (N)

   1) All properties owned by the Department of General Services, beginning January 1, 2027.

   2) All properties owned by local governments, local or regional public agencies, and public water systems, except those specified in paragraph (5), beginning January 1, 2027.

   3) All other institutional properties and all commercial and industrial properties, beginning January 1, 2028.

   4) All common areas of properties of homeowners' associations, common interest developments, and community service organizations or similar entities, beginning January 1, 2029.

   5) All properties owned by local governments, local public agencies, and public water systems in a disadvantaged community, beginning January 1, 2031, or the date upon which a state funding source is made available to fund conversion of nonfunctional turf on these properties to climate-appropriate landscapes, whichever is later. (N)

(Continued)

Rule No. 14.1
Water Conservation And Reduction Plan

B. NON-ESSENTIAL OR UNAUTHORIZED WATER USE (Continued)

(b) Notwithstanding subdivision (a), the use of potable water is not prohibited by this section to the extent necessary to ensure the health of trees and other perennial nonturf plantings, or to the extent necessary to address an immediate health and safety need. (N)

(c) The board may, upon a showing of good cause for reasons including economic hardship, critical business need, and potential impacts to human health or safety, postpone a compliance deadline in subdivision (a) by up to three years for certain persons, institutions, and businesses, and may create a form to be used for compliance certification to the board by property owners.

Definitions:

- "Common areas" means that portion of a common interest development or of a property owned or managed by a homeowners' association or a community service organization or similar entity that is not assigned or allocated to the exclusive use of the occupants of an individual dwelling unit within the property.

- "Common interest development" means any of the following:
  (a) A community apartment project.
  (b) A condominium project.
  (c) A planned development.
  (d) A stock cooperative.

- "Community service organization or similar entity" means a nonprofit entity, other than an association, that is organized to provide services to residents of the common interest development or to the public in addition to the residents, to the extent community common area or facilities are available to the public. "Community service organization or similar entity" does not include an entity that has been organized solely to raise moneys and contribute to other nonprofit organizations that are qualified as tax exempt under Section 501(c)(3) of the Internal Revenue Code and that provide housing or housing assistance.

- "Community space" means an area designated by a property owner or a governmental agency to accommodate human foot traffic for civic, ceremonial, or other community events or social gatherings.

- "Disadvantaged community" means a community with an annual median household income that is less than 80 percent of the statewide annual median household income.

- "Functional turf" means a ground cover surface of turf located in a recreational use area or community space. Turf enclosed by fencing or other barriers to permanently preclude human access for recreation or assembly is not functional turf. (N)

(Continued)

Rule No. 14.1
Water Conservation And Reduction Plan

B. NON-ESSENTIAL OR UNAUTHORIZED WATER USE (Continued)

- "Homeowners' association" means a nonprofit corporation or unincorporated association created for the purpose of managing a common interest development. (N)

- "Nonfunctional turf" means any turf that is not functional turf, and includes turf located within street rights-of-way and parking lots.

- "Potable water" means water that is suitable for human consumption.

- "Recreational use area" means an area designated by a property owner or a governmental agency to accommodate human foot traffic for recreation, including, but not limited to, sports fields, golf courses, playgrounds, picnic grounds, or pet exercise areas. This recreation may be either formal or informal. (N)

9. The use of potable water for watering outside plants, lawn, landscape, and turf area during certain hours prohibited by applicable laws or rules, during and up to 48-hours after measurable rainfall (0.1" or more). (L)

10. The use of potable water for irrigation or ornamental turf on public street medians.

The outdoor irrigation restriction does not apply to trees or edible vegetation watered solely by drip or micro spray systems. (L)

(Continued)

Rule No. 14.1
Water Conservation And Reduction Plan

C. STAGED MANDATORY REDUCTION OF WATER USAGE (L)

1. Prior to implementing mandatory reduction due to declaration by a water wholesaler, government agency or the utility water supply shortage conditions (per Water Code Section 350), a utility may request the addition of a Schedule No. 14.1 – Water Shortage Contingency Plan with Staged Mandatory Restrictions, Reductions And Drought Surcharges tariff, via a Tier 2 advice letter, with full justification. The utility may not activate Schedule No. 14.1 until authorized to do so by the Commission as delegated to WD.
2. A staged Schedule No. 14.1 authorized by the Commission shall remain dormant until triggered by specific conditions detailed in the Schedule No. 14.1 tariff and the utility has requested and received authorization for activating a stage by the Commission in response to a Tier 2 advice letter.
3. Notice of the Tier 2 advice letter and associated public participation hearing, if required, shall be provided to customers through a bill insert, direct mailing, or by electronic notification.
4. The Utility shall comply with all requirements of Sections 350-358 of the California Water Code.
5. The Tier 2 advice letter requesting the addition of a Schedule No. 14.1 shall include but not be limited to:
   a. Proposed Schedule No. 14.1 tariff, which shall include but not be limited to:
      i) Applicability,
      ii) Territory applicable to,
      iii) A detailed description of each Stage of Reduction,
      iv) A detailed description of the Trigger that Activates each Stage of Reduction,
      v) A detailed description of each water use restriction for each stage of reduction,
      vi) Water use violation levels, written warning levels, associated fines, if applicable, and exception procedures,
      vii) Conditions for installation of a flow restrictor,
      viii) Charges for removal of flow restrictors, and
      ix) Special Conditions.
   b. Justification, documentation and calculations in support of the plan. (L)

(Continued)

Rule No. 14.1
Water Conservation And Reduction Plan

C. STAGED MANDATORY REDUCTION WATER USAGE (Continued)

6. All monies collected by the utility through water use violation fines shall not be accounted for as income but rather booked to a memorandum account to offset authorized expenses incurred or recovery of lost revenue. Lost revenues associated with reduced sales as a result of activation of either Rule No. 14.1 or Schedule No. 14.1 for a non-WRAM utility should be tracked in a separate memorandum account for disposition as directed or authorized from time to time by the Commission. (L)

7. All expenses incurred by utility to activate Rule No. 14.1 and Schedule No. 14.1 that have not been considered in a General Rate Case or other proceeding, shall be recoverable by utility if determined to be reasonable by Commission. These monies shall be accumulated by the utility in a separate memorandum account for disposition as directed or authorized from time to time by the Commission.

8. Number of stages requested by the district/service area may vary, depending on specifics of water shortage event. The utility shall file a Tier 2 advice letter to request activation of a particular stage of Schedule No. 14.1 under the following conditions:

   a. If the utility is unable to achieve desired conservation levels set by itself, wholesale supplier or governing agency through voluntary conservation, or

   b. If a Declaration of Mandatory Reduction is made by the utility, wholesale supplier or governing agency, or

   c. If a government agency with legal jurisdiction over the utility or its service area declares a state of emergency in response to severe drought conditions, earthquake or other catastrophic event that severely reduces the utility's water supply, or

   d. If voluntary conservation levels or mandatory restrictions on certain uses of water, set by the Commission, the utility, wholesale water supplier, or government agency are insufficient, or

   e. If the utility chooses to activate a greater stage with justification and approval by the Commission.

9. The Tier 2 advice letter requesting activation of a Schedule 14.1 shall include but not be limited to:

   a. Justification for activating this particular stage of mandatory reduction, as well as period during which this particular stage of mandatory conservation and reduction measures will be in effect.

   b. When the utility requests activation of a particular Stage, it shall notify its customers as detailed in Section E below. (L)

(Continued)

Rule No. 14.1
Water Conservation And Reduction Plan

D. ENFORCEMENT OF STAGED MANDATORY CONSERVATION AND REDUCTION

1. The water use restrictions in Section A of this Rule, become mandatory when the Schedule No. 14.1, Stage 2 or higher is triggered, the utility files a Tier 2 advice letter requesting activation of a Stage 2 or higher, and authorization is received from the Commission as delegated to WD. (L)

2. The nonessential or unauthorized water use listed in Section B of this Rule are always mandatory.

3. Each stage of Schedule No. 14.1 has an associated drought surcharge that may be implemented based on local conditions and/or conservation and reduction targets.

4. The utility may after one written warning, install a flow restricting device on the service line of any customer observed or proven by utility personnel to be using water for any nonessential or unauthorized use as defined in Section A or B above when Schedule No. 14.1 Stage 2 or higher has been activated.

   a. A flow restrictor shall not restrict water delivery by greater than 50% of normal domestic flow and shall be capable of providing the premise with a minimum flow of 50 Gallons Per Capita Per Day (GCPD). The restricting device may be removed only by the utility, only after a (7) seven-day period has elapsed, and only upon payment of the appropriate removal charge as set forth in Schedule No. 14.1.

   b. After the removal of the restricting device, if any non-essential or unauthorized use of water continues, the utility may install another flow restricting device without written notice. This device shall remain in place until water supply conditions warrant its removal and until the appropriate charge for removal is paid to the utility.

   c. Customer tampering with flow restricting device may result in discontinuation of water service at the utility's discretion.

   d. If, despite installation of such flow-restricting device pursuant to the provisions of the previous enforcement conditions, any non-essential or unauthorized use of water continues, then the utility may discontinue water service to such customer. In such event, a charge as provided in Rule No. 11, Section C shall be paid to the utility as a condition of restoration of service. (L)

(Continued)

Rule No. 14.1
Water Conservation And Reduction Plan

E. APPEAL PROCEDURE

1. Any customer who seeks a variance from any of the provisions of this Water Conservation and Reduction Plan shall notify the utility in writing using the appeals form, explaining in detail the reason for such a variation. The utility shall respond to each such request in writing. (L)

2. Any customer not satisfied with the utility's response may contact the Commission.

3. Except as set forth in this Section, no person shall have any right or claim in law or in equity, against the utility because of, or as a result of, any matter or thing done or threatened to be done pursuant to the provisions of the Water Conservation and Reduction Plan.

F. PUBLICITY

1. As stated under Section C.3, when a utility requests the addition of a Schedule No. 14.1, via a Tier 2 advice letter, it shall provide notice of the Tier 2 advice letter and associated public hearing, if applicable, provided to customers through bill inserts, direct mailing, or electronic notification and shall comply with all requirements of Sections 350-358 of the California Water Code (CWC), including but not limited to the following:

   a. In order to be in compliance with both the General Order 96-B and CWC, the utility shall provide notice via both newspaper and bill insert, direct mailing or electronic notification.

   b. Utility shall file one notice for each advice letter filed, that includes both notice of the filing of the Tier 2 advice letter as well as the details of the public hearing (date, time, place, etc.).

   c. The public meeting, if required, shall be held after the utility files the Tier 2 advice letter, and before the Commission authorizes the addition of Schedule No. 14.1 to the tariff except in cases of emergency water shortages approved by WD.

   d. Utility shall consult with WD staff prior to filing advice letter, in order to determine details of public meeting.

2. In the event that a Schedule No. 14.1 is activated, and a utility requests activation through the filing of a Tier 2 advice letter, the utility shall notify its customers and provide each customer with a copy of Schedule No. 14.1 by means of bill insert, direct mailing or electronic notification. Notification shall take place prior to imposing any surcharges associated with this plan. If activation of Schedule No. 14.1 occurs one year or more since the public hearing associated with adding Schedule No. 14.1 to its tariffs, then the utility shall conduct a public hearing pursuant to CWC Section 351 prior to activating the mandatory reduction stage.

3. During the period that a stage of Schedule No. 14.1 is activated, the utility shall provide customers with updates regarding its water supply status and the results of customers' conservation efforts. These updates may occur through bill inserts, website updates, or other means of communication. (L)

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