

AB 1420 Frequently Asked Questions

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1.	<p>Q What is AB 1420?</p> <p>A Assembly Bill AB 1420 (Stats. 2007, ch. 628) amended the Urban Water Management Planning Act, Water Code Section 10610 et seq., to require, effective January 1, 2009, that the terms of, and eligibility for, any water management grant or loan made to an urban water supplier and awarded or administered by the Department of Water Resources (DWR), State Water Resources Control Board (SWRCB), or California Bay-Delta Authority (CBDA) or its successor agency (collectively referred to as "Funding Agencies") , be conditioned on the implementation of the water Demand Management Measures (DMMs) described in Water Code Section 10631(f).</p>
2.	<p>Q What is an urban water supplier?</p> <p>A "Urban water supplier" (UWS) means a supplier, either publicly or privately owned, providing water for municipal purposes either directly or indirectly to 3,000 or more customers or supplying 3000 acre-feet or more of water annually. An UWS includes a supplier or contractor for water, regardless of the basis of right, which distributes or sells for ultimate resale to customers (Water Code Section 10617).</p>
3.	<p>Q What is the relationship between Demand Management Measures (DMMs) and Best Management Practices (BMPs)?</p> <p>A For the purpose of AB 1420, BMPs will be equated with DMMs.</p>
4.	<p>Q What are the BMPs?</p> <p>A BMPs are Best Management Practices that have been defined by the California Urban Water Conservation Council (CUWCC) Memorandum of Understanding (MOU), http://www.cuwcc.org/mou-main-page.aspx .</p>
5.	<p>Q Are old or new and revised BMP lists being used for AB 1420?</p> <p>A Table 1 uses the old BMP list since it documents past and current implementation of BMPs. Table 2 utilizes the new and revised BMP list.</p>
6.	<p>Q Who is Subject to AB 1420?</p>

	<p>A Urban water suppliers (UWS), that provide 3000 Acre-feet of water or more; or have 3000 connections; are subject to the provisions of AB 1420.</p>
7.	<p>Q What are water management grants and loans?</p> <p>A Water management grants and loans include programs and projects for surface water or groundwater storage, recycling, desalination, water conservation, water supply reliability and water supply augmentation. This funding includes, but is not limited to, funds made available pursuant to Public Resources Code Section 75026 (Integrated Regional Water Management Program).</p>
8.	<p>Q What funds are subject to AB 1420?</p> <p>A Loan and grant funds allocated by a Funding Agency to a water management program are subject to AB 1420.</p>
9.	<p>Q Is a non-urban water supplier eligible to apply for funds?</p> <p>A Yes. Any entity, subject to particulars of the loans and grants programs, may be eligible to apply for loans and/or grants for water management programs. A non-UWS is not subject to AB 1420.</p>
10.	<p>Q Does AB 1420 allow for implementation of regional conservation programs?</p> <p>A Yes. Implementation of regional conservation programs and participation and cooperation of UWS wholesale and member agencies are encouraged. A regional conservation program must demonstrate that it saves equal or more water than if each member agency was implementing the BMPs separately.</p>
11.	<p>Q What does regional compliance mean?</p> <p>A Compliance on a regional basis requires participation in a regional conservation program consisting of two or more UWS that achieves the level of conservation or water efficiency savings equivalent to the cumulative amount of conservation or savings achieved if each of the participating UWS implemented the water BMPs.</p>
12.	<p>Q Does an urban water supplier have to be in compliance with BMP implementation to receive funds?</p> <p>A Yes and No. An UWS must document that it has in the past and is</p>

	<p>currently implementing all BMPs at a coverage level determined by the CUWCC MOU to demonstrate that it is in compliance with BMP implementation. If an UWS is not in compliance, i.e., has not implemented or is currently not implementing all BMPs at a coverage level identified in the CUWCC MOU, and wants to become in compliance, then the UWS must provide a schedule, budget, finance plan and commitment to implement all BMPs at a coverage level determined by the CUWCC MOU in the near future.</p>
<p>13.</p>	<p>Q What is meant by “<i>near future</i>”?</p> <p>A Implementation of all BMPs must commence within the first year of the agreement for which an applicant receives grant/loan funds.</p>
<p>14.</p>	<p>Q What is the different between compliance and eligibility?</p> <p>A Compliance is related to implementation of BMPs. An UWS may or may not have implemented BMPs and therefore may or may not be in compliance with implementation of BMPs, depending upon how much of each BMP has been implemented at the coverage level identified by the CUWCC MOU.</p> <p>Eligibility is related to receiving funds. An UWS may be eligible to receive loan/grant funds, even if it has not implemented BMPs and therefore is not in compliance with BMP implementation, if the UWS provides a schedule, budget, and finance plan acceptable to DWR explaining how it will implement all BMPs. An UWS need not be fully in compliance with all BMPs to be eligible to receive funds.</p>
<p>15.</p>	<p>Q What do I, as an UWS, need to do to demonstrate my compliance with BMP implementation?</p> <p>A Complete Table 1 to document that in the past and currently you are implementing all BMPs at the coverage level determined by the CUWCC MOU.</p> <p>If the information in Table 1 cannot substantiate BMP implementation at the coverage level determined by the CUWCC MOU then complete Table 2 by providing a schedule, budget, and a finance plan to demonstrate your commitment to achieving compliance in the near future, with implementation of all BMPs at the coverage level determined by the CUWCC MOU.</p> <p>An UWS must demonstrate that its past, present, and future efforts in implementing each BMP will achieve full BMP implementation at the coverage level determined by the CUWCC MOU. This will signify</p>

	<p>compliance with implementation of all BMPs and make the applicant eligible to receive funds.</p>
16.	<p>Q Can an urban water supplier use alternative conservation approaches in lieu of the BMP list?</p> <p>A Yes. An UWS may use alternative conservation approaches such as Flex Track or gallons per capita per day in lieu of the BMP list. The UWS must demonstrate that the alternative conservation approach will result in equal or greater water savings compared with BMP list implementation.</p>
17.	<p>Q. What are alternative conservation approaches?</p> <p>A. Alternative conservation approaches may include the BMP list, Flex Track, and gallons per capita per day.</p>
18.	<p>Q Will an allowance be made for BMPs that are dependant on participation of customers/end water users?</p> <p>A Yes. In this case, an UWS must demonstrate that it implemented a particular BMP in good faith, yet due to lack of customer participation, that BMP could not be fully implemented at a coverage level determined by the CUWCC. A properly documented cost effectiveness analysis is one method for demonstrating good faith effort. With the new Flex Track option, the UWS may also shift efforts and increase water savings to equal or greater levels in other BMPs.</p>
19.	<p>Q Will AB 1420 allow for exemptions?</p> <p>A AB1420 allows for exemptions identified by the CUWCC MOU such as cost effectiveness, lack of funding, or lack of legal authority.</p>
20.	<p>Q How often does an UWS need to submit Tables 1 & 2?</p> <p>A UWS must submit the completed Tables 1 & 2 once. When applying for other loan/grant funds, the UWS needs to re-submit these Tables only if changes have occurred to the information and exemption conditions.</p>
21.	<p>Q Would “substantial” implementation of any BMP be considered satisfactory compliance with that BMP?</p> <p>A No. DWR will utilize the CUWCC MOU criteria for compliance with BMP implementation. Variance will not be practical as DWR cannot determine what constitutes “substantial” implementation for each BMP and each UWS.</p>
22.	<p>Q Can a wholesale applicant provide funds to a member agency that is</p>

	<p>not in compliance and does not provide a schedule, budget, and finance plan to implement BMPs and achieve compliance?</p> <p>A No. Non-compliant, non-participating member agencies cannot benefit from loan/grant funds.</p>
23.	<p>Q Can end water users within a service area of non-compliance and non-participating member agency benefit from regional programs?</p> <p>A Yes. Applicants who implement regional conservation programs may work with end water users within a non-participating agency's service area. It is the applicant's responsibility to provide documentation that it will achieve the level of conservation of water efficiency savings equivalent to the amount of conservation or savings that would be achieved if each of the participating UWS implemented the DMMs or BMPs.</p>
24.	<p>Q Will there be funds to help an UWS to implement BMPs?</p> <p>A Some funding programs, such as Water Use Efficiency Grants, provide funds for implementation of BMPs. Other funding programs may or may not have funds to help with implementation of BMPs. Specific availability of funds will be determined by each funding program.</p>
25.	<p>Q Will there be funds to help disadvantaged communities to receive loan/grants?</p> <p>A Availability of loan/grant funds for disadvantaged communities is program specific. Similarly, availability of funds to disadvantaged communities to implement BMPs is program specific.</p>
26.	<p>Q Can an UWS submit its Self-Certification Statement (Tables 1 & 2) prior to applying for loans/grants?</p> <p>A DWR encourages any UWS to submit their Self-Certification Tables 1 & 2 prior to applying for grant/loan funds.</p>
27.	<p>Q How long will it take for DWR to review and make eligibility determinations once it receives the Self-Certification Tables 1 & 2?</p> <p>A DWR will make every effort to respond within 60 days to the UWS on its compliance with BMP implementation.</p>
28.	<p>Q. What happens if an applicant fails to implement the scheduled BMPs in Table 2?</p>

	<p>A. Failure to implement BMPs and/or alternative conservation approaches as detailed in Tables 1, 2 or 3, if applicable, may cause the Funding Agency, at its sole discretion, to withhold grant or loan funds, not pay any pending invoices, and pursue any other applicable legal remedy.</p>
29.	<p>Q. Are UWS required to submit an Urban Water Management Plan?</p> <p>A. Submittal of an Urban Water Management Plan is required by law. Applicants must prepare, adopt and submit their UWM Plan before applying for loan/grant funds.</p>
30.	<p>Q. Do UWM Plans need to be complete to receive loan/grant funds?</p> <p>A. UWM Plans must be deemed complete by DWR by the time of signing a grant/loan contract.</p>
31.	<p>Q. Are there any programs that are exempt from requirements of the UWM Planning Act or AB 1420?</p> <p>A. SBxx27 (Chapter 25, Statutes of 2009-10 Third Extraordinary Session) exempts projects funded by the American Recovery and Reinvestment Act of 2009 from the requirement in existing law that every UWS prepare and adopt a UWM Plan for submission to DWR.</p>