

Summary of Minutes

Water Conservation Advisory Council Workgroup Meeting and Conference Call
Workgroup:

Date: March 20, 2024
Time: 1:00 – 2:00 p.m.
Location: TEAMS

Members/Alternates	Interested Parties	TWDB Staff
Dustan Compton Leslie Peterson Earl Foster, Lakeway MUD Stacy Pandey Whitney Milberger Jennifer Allis	Ted Pick, NTMWD Rick Garrett, WCID1 Adam Conner Virginia Collier Hector Ortiz, DCPC MUD	Denise Livingston John Sutton Yun Cho Brittany Condry Taylor Nickell

Wholesale work group meeting to discuss Legislative report items, trends, and recommendations

- I. Introduction of Participants
- II. Summary of 2022 Legislative report. Review of recommendation to support statewide evapotranspiration program.

Discussion was held regarding conservation-oriented rates structures

- implementing surcharges at various stages of drought.
- Several wholesalers have implemented higher surcharge in later drought stages.
- If the wholesale entity's contract does not already have language regarding drought surcharges, wholesalers cannot put it in the DCP.
 - Is there a possible legislative recommendation to allow wholesalers to put in DCP?
- DCPC MUD – contracts include default language and allow for penalties for entities that use beyond their allotment. As the amount of water decreases due to an emergency, the allotment decreases proportionally to all users. The language in the contracts allows for penalties to be invoked.
- LCRA has similar penalties, up to 10x the normal amount.
 - Provider Curtailment Rule – a provision stating if the rules get updated, the ongoing contract is subject to the updated rules.
 - LCRA has water conservation plan rules, pro-rata rules, and provider curtailment rules. If these rules get updated, it automatically applies to existing contracts.

[30 TAC section 288.22](#) subsection 10 - *The drought contingency plan must include procedures for the enforcement of any mandatory water use restrictions including specification of penalties*

(e.g., liquidated damages, water rate surcharges, discontinuation of service) for violations of such restrictions.

- What enforcement power do wholesalers have over members that span several counties and include numerous municipalities?

Legislative recommendations to help WS meet conservation goals:

- If the customer city is not supporting efforts to meet provider's goal, what mechanisms for WS pricing?
- What mechanisms in drought stages do WS have with surcharges if not in contracts?

A wholesale DCP plan recently submitted to TCEQ outlined conservation goals but also started curtailing usage at stage 2. Example, stage 2, they started curtailing usage by 10%. Stage 3, 25%, and stage 4 was 50% across the board for all customers.

Any significant changes to DCPs?

- LCRA ([Link to proposed LCRA changes](#))
 - adding additional stage between 2 and 3.
 - Stage 1 is now mandatory – 10% reduction target
 - Minimum measures requirements for retailers for outdoor water for stages 2 and higher
 - WCP rules have permanent twice a week watering with a mandatory once a week by May 1 due to 900,000-acre/ft storage level.
- TRWD
 - Trigger levels remain the same
 - Added flexibility to use high demand as trigger to enter drought stage or flexibility if it is deemed best for the system,

Possible BMPs for upcoming biennium

Review BMP for Wholesale contracts, conservation, and drought measures.

Please email Denise with any comments on trends, summaries, challenges, or progress in wholesale water conservation.

Future meeting to be determined.

VI. Meeting Adjourned