

Resource Allocation and Equity

Water is a limited resource that must be managed fairly among a diverse customer base that includes residential neighborhoods, agriculture, businesses, and public agencies. Resource allocation refers to how various available water supplies (imported potable, locally developed potable, non-potable, and recycled water) are distributed among these users, especially during droughts, emergencies, or periods of limited supply. The goal of resource allocation is to use Camrosa's available water resources to provide the greatest benefit to the largest number of customers. Equity refers to customers receiving the benefit of and paying the appropriate share of the costs associated with the services they receive.

Questions We Heard

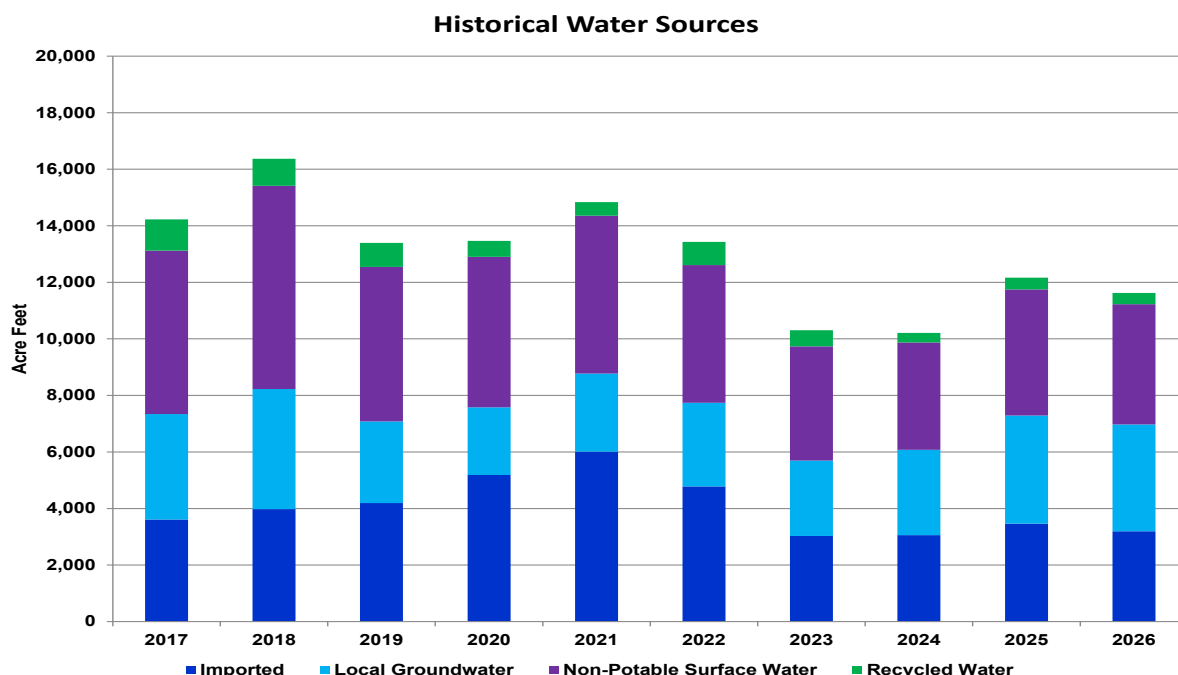
- **How are costs divided between different types of customers?**

Equity does not necessarily mean every customer pays the same amount. Rather, it means costs are allocated based on legal requirements (Prop. 218), the benefits received, and the facilities and resources needed to serve different customer groups.

For example, some facilities or infrastructure projects may benefit the entire District (potable water customers), while others may primarily serve a specific type of customer (wastewater collection and treatment, agriculture, commercial/industrial, or non-potable or recycled water irrigation). Every 5 years Camrosa performs a cost-of-service analysis (Rate Study) to evaluate rate structure approaches carefully to ensure that customers are **paying an appropriate share of the costs associated with the services they receive**.

- **What are the water resources Camrosa has available?**

The following figure demonstrates the effects of Camrosa's commitment to building self-reliance over the last 10 years. As the diversity of supply sources increases, the percentage of the portfolio filled by imported water has decreased. Reductions in total water use reflect conservation measures that have now become common practice by many of Camrosa's customers. Along with continued conservation and water use efficiencies, Camrosa will continue to develop local and regional water resource projects to build water self-reliance.



- **How does Camrosa determine the benefits of a particular use of a water resource?**

Water resources may have multiple potential uses. When evaluating the use of a particular water resource, principles of equity are used to determine its most beneficial use or even a combination of beneficial uses. **A use that provides the maximum benefit to the greatest number of District customers is preferred.** In addition, the cost, certainty, and reliability of the water resource as well as any infrastructure investment needed to utilize the resource for the intended beneficial use, need to be factored into any water resource use analysis.

For example, non-potable surface water can be used to irrigate landscaping, irrigate agriculture, with advanced treatment it can be converted to potable water, it can be spread or injected into a local groundwater aquifer for replenishment or future extraction, or it can be delivered it to agricultural users in exchange for the right to pump their allocation of groundwater. Some of the benefits and drawbacks of each of these uses may include:

- **Used to irrigate landscaping**

- Is a lower-cost alternative to using potable water
- Can replace potable water used for irrigation
- Can benefit local groundwater basin replenishment
- Only benefits a limited number of customers with access to the non-potable distribution system

- **Used to irrigate agriculture**

- Is a lower-cost alternative to using potable water
- Can benefit local groundwater basin replenishment
- Supports the local agricultural community
- Only benefits a limited number of agricultural customers with access to the non-potable distribution system



- **With advanced treatment it can be converted to potable water**

- Advanced water treatment facilities and processes can be prohibitively expensive
- Could benefit all Camrosa's customers in the future by providing potable water at lower cost than imported water if facilities and processes are cost effective
- There can be a negative perception when non-potable water is treated to potable standards

- **It can be spread or injected into a local groundwater aquifer for replenishment or future extraction**

- Spreading or injection facilities and processes can be prohibitively expensive
- Could benefit all Camrosa's customers in the future by providing local potable groundwater at lower cost than imported water if facilities and processes are cost effective
- Can benefit local groundwater basin replenishment

- **It can be delivered to agricultural users in exchange for the right to pump their allocation of groundwater**

- Can benefit all Camrosa's customers by replacing imported water with locally produced water
- Can be a lower-cost alternative to the end user than pumping their allocation
- Can benefit local groundwater basin replenishment
- Supports the local agricultural community

In this example, Camrosa currently employs a **combination of uses** and continually monitors the equity and effectiveness of those uses. The **appropriate use** of a water resource may change over time as water demands, supply conditions, infrastructure capacity, costs, and customer needs change. By considering these factors, Camrosa can use each water resource in a manner that provides the **greatest overall benefit** to its customers while supporting long-term water supply **reliability** and **stewardship** of local resources.