

PERFORMANCE MEASURE: CII WATER USE CLASSIFICATION SYSTEM

[Bullet list with numbering for easy referencing in discussion.]

1. Legislative Requirements

- 1.1. The California Department of Water Resource (DWR), in coordination with the State Water Resources Control Board (State Water Board), shall conduct necessary studies and investigations and recommend performance measures for Commercial, Industrial, and Institutional (CII) water use (California Water Code (WC) Section 10609.10).
 - 1.1.1. These performance measures include a classification system for CII water users that addresses significant uses of water (WC Section 10609.10(b)(1))
- 1.2. Performance measures for CII water use are to be consistent with the October 21, 2013, report to the Legislature by the Commercial, Industrial, and Institutional Task Force entitled “Water Use Best Management Practices,” including the technical and financial feasibility recommendations provided in that report and are to support the economic productivity of California’s CII sectors (WC Section 10609.10(c)). *[Note: the legislation requires the consistency with the Task Force report recommendations, but they are not must-have conditions].*
- 1.3. Documentation of the implementation of the performance measures for CII water use, including implementation of the CII classification system, is required in the urban retail water supplier’s annual water use report filing (WC Section 10609.24(a)(3)).

2. Scope

- 2.1. **The CII water use classification system will include the considerations of the following Task Force recommendations in the scope.**
 - 2.1.1. The purpose of the CII water use classification system is for data collection to provide insight of CII water use and potential opportunities for improving water use efficiency.

2.1.2. Recommendation 5-7 on Data Collection: DWR should work with the Association of California Water Agencies, California Urban Water Conservation Council, California Urban Water Agencies, California Public Utilities Commission, California Water Association, and American Water Works Association to develop a full-spectrum, water-centric standardized classification system of customer categories. This classification system should include consistent use of North American Industry Classification System (NAICS) codes and assessors' parcel numbers (APN).

2.1.3. Recommendation 5-8 on Data Collection: DWR, in consultation with a stakeholder advisory committee and through a public process, should develop a system and implementation plan for water production, delivery, and use data collection for classification and for reporting and tracking at the user, water service provider, state, and federal levels. One or more of the following options should be considered:

2.1.3.1. Option 5-8.1: DWR should develop a water-centric water use and user classification system. [*Note: The remaining items are not related to CII water use classification system although applicable to the consideration of CII water use performance measures in general.*]

2.1.4. Specific legislative requirements, where provided, will take precedence over the above recommendations. [*Note: None for CII water use classification system, but on the performance measures in general under WC Section 10609.10(c).*]

2.2. The CII water use classification system will be used consistently statewide for all urban retail water suppliers.

2.3. Except for water use under CII-DIMS, CII water use is not part of the quantitative reporting requirements for the Urban Water Use Objective (UWUO).

2.3.1. An urban retail water supplier's progress towards implementing CII performance measures, including the one (or ones) recommended for the CII water use classification system, is part of the annual reporting requirements.

2.4. This CII water use classification system performance measure does not oblige urban retail water suppliers to report water use per category or

unify the data collection and analytical methods for such quantitative reporting as part of their annual report filings.

2.5. Limitations

2.5.1. None identified.

3. CII Water Use Classification System and Associated Specifications

3.1. The CII water use classification system for all urban retail water suppliers throughout the State includes the following specifications.

3.1.1. CII water use will be categorized in the following 19 categories.

- 3.1.1.1. Water Recreation (e.g., public pools / water parks)
- 3.1.1.2. Recreation, non-water (e.g., athletic facilities, entertainment facilities, parks / cemeteries, golf course)
- 3.1.1.3. Food/Beverage (e.g., full service, fast food)
- 3.1.1.4. Laundry (e.g., laundromats, commercial / industrial laundries)
- 3.1.1.5. Lodging (e.g., hospitality, retirement homes)
- 3.1.1.6. Healthcare (e.g., hospitals, medical offices, medical and laboratory equipment and processes)
- 3.1.1.7. Offices
- 3.1.1.8. Public Services (e.g., government, prisons and correctional facilities)
- 3.1.1.9. Sales (e.g., retail, shopping centers / malls, grocery stores and food markets)
- 3.1.1.10. Services (e.g., auto, personal)
- 3.1.1.11. Religious Buildings
- 3.1.1.12. Education
- 3.1.1.13. Vehicle Wash
- 3.1.1.14. Industrial, non-manufacturing (e.g., temperature-controlled warehouses, non-temperature-controlled warehouses)

- 3.1.1.15. Manufacturing (e.g., aerospace and metal finishing industries; plating, printed circuit boards, and metal finishing; food processing and beverage manufacturing; high-tech industry (server facility / data center); petroleum refining and chemical industries; pharmaceutical and biotech industries; power plants)
- 3.1.1.16. Utility
- 3.1.1.17. Mixed Use Commercial (e.g., strip malls, shopping centers, and other commercial spaces that are subject to frequent changes of tenants with different water use profiles to meet their corresponding business needs)
- 3.1.1.18. Dedicated Irrigation Meter
- 3.1.1.19. Others (for those cannot be adequately categorized into the above categories)

3.2. Urban retail water suppliers will follow DWR’s account mapping guidance based on NAICS with necessary customization, including land use designations (APNs) used by county assessor’s offices, for categorizing their water accounts for CII performance measure reporting purposes.

3.2.1. NAICS is the most sophisticated water use classification system with established definitions and long-term maintenance support and often used by wastewater and energy utilities.

3.2.2. The use of CII water use classification system does not automatically require urban retail water suppliers to change or modify their billing systems or other management protocols, as long as the required performance reporting per CII water use classification system can be provided.

3.3. Subject to appropriate approvals, DWR may coordinate with the State Water Board and other agencies to issue an advisory to land use authorities for cooperation and assistance to urban retail water suppliers in information sharing during building permit issuances that may affect CII water use.

3.4. In the future, DWR may recommend refinements of the above categories to include additional and necessary details of certain water uses after a period of data collection and analysis.

3.4.1. If recommended, refinements would be limited to further dividing one or more established categories but not remapping of the existing categories.

4. Performance Measure

4.1. Urban retail water suppliers have up to 5 years after State Water Board adoption to complete mapping of accounts to the CII water use classification system for annual reporting purposes.

4.1.1.1. The minimum level of progress in account mapping per year is 20% of CII water accounts.

4.1.1.1.1. If an urban retail water supplier does not meet the annual 20% mapping requirement, the water supplier is to include in its annual reporting an explanation and its plan to meet the full mapping requirement by year 5.

4.1.1.2. Should an urban retail water supplier experience a substantial hardship meeting the minimum level of progress, by year 3, the urban retail water supplier will provide an implementation plan to meet the full mapping requirement. That implementation plan will be subject to State Water Board approval.

4.2. Urban retail water suppliers should establish formal procedures to collect classification information and update classifications with modified or new service requests.

4.2.1. Urban retail water suppliers should coordinate with the corresponding land use authority(ies) to add a requirement for consulting urban retail water suppliers, where appropriate, for awareness of changes and potential reclassifications.

4.3. Urban retail water suppliers are required to conduct periodic reviews and update their account mapping for CII water use classification system.

4.3.1. Review and updated account mapping should occur at least every other year.