



Statement by Nicole Sandkulla, Chief Executive Officer of the Bay Area Water Supply and Conservation Agency at the San Francisco Public Utilities Commission Meeting

June 28, 2016

President Vietor and Members of the Commission:

Thank you for your helpful opening discussion, questions, and possible strategies related to the new Water Management Action Plan (MAP) at the Commission meeting two weeks ago, especially several issues that are extremely important for BAWSCA's member agencies and their customers.

I was pleased to hear of your special interest in events that have brought us to the need for more water for East Palo Alto and permanent-customer status and more water for San Jose and Santa Clara. I am aware that East Palo Alto is working with you to provide the "lay-of-the-land" understanding you want, and I believe some sort of briefing from San Jose and Santa Clara would also be helpful.

Equally, Commissioner Moran, your strategic comments about the challenges provided by these three petitioners and about how to help them were very constructive. BAWSCA supports your recommendation that Staff bring to the Commission the information necessary to prioritize the water supply needs to be addressed and the appropriate tools to meet those identified needs as the next steps in the WaterMAP effort. BAWSCA looks forward to working closely with your staff to develop these critical elements to inform the Commission and the WaterMAP process.

One other water supply matter I wanted to touch on today is the progress on fixing the Mountain Tunnel. Over a year ago, on May 26, 2015, I discussed with you the SFPUC's approach to addressing the challenges facing this critical component of the Regional Water System including the need for an adopted plan and schedule.

Since that time, the Commission has adopted a plan and schedule to address these risks and substantial progress has been made on the three major components of this effort. Those are (1) the capital projects to improve access to the Tunnel in preparation for the initial repairs and evaluation of tunnel conditions, (2) the Emergency Restoration Plan to restore service in the event of a tunnel failure, and (3) an Emergency Response Plan to identify alternative water supplies and demand management actions in the event of a major failure.

Your action today, to approve the nearly \$5 million contract for the Mountain Tunnel Interim Repair Project is further evidence of that progress. Additionally, the SFPUC and the Santa Clara Valley Water District recently committed to a higher level of preparedness associated with the potential use of the joint Milpitas intertie, which heightens the readiness of the RWS to continue to meet wholesale and retail customers alike in the case of a planned or unplanned outage of the Mountain Tunnel. BAWSCA understands that a similar increased commitment with the East Bay Municipal Utility District for use of the joint intertie in Hayward is being secured.

BAWSCA will continue work with the SFPUC to secure use of additional supplies under control by the BAWSCA agencies through emergency mutual aid agreements that will protect water customers from unnecessary impacts as the work on Mountain Tunnel progresses.

For BAWSCA, its member agencies, and the water customers they serve, ensuring the system's ability to supply water during a potential emergency outage, due to a Mountain Tunnel failure or for some other reason, is critically important. We will continue to pursue this issue to resolution.

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