SAN JOSE WATER

2025 Water Shortage Contingency Plan

San Jose Water Company

2025 Water Shortage Contingency Plan

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Draft Report

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Abbreviations and Acronyms

AB	Assembly Bill
ABAG	Association of Bay Area Governments
AWSDA	Annual Water Supply and Demand Assessment
CII	Commercial, Industrial, and Institutional
CPUC	California Public Utilities Commission
CVP	Central Valley Project
CWC	California Water Code
DDW	California Division of Drinking Water
DRA	Drought Risk Assessment
DWR	California Department of Water Resources
EAMP	Enterprise Asset Management Plan
ERP	Emergency Response Plan
GWAMP	Groundwater Well Asset Management Plan
SB	Senate Bill
SBWR	South Bay Water Recycling
SJW	San Jose Water Company
SWP	State Water Project
SWRCB	California State Water Resources Control Board
USEPA	United States Environmental Protection Agency
UWMP	Urban Water Management Plan
WSCP	Water Shortage Contingency Plan

Water Shortage Contingency Plan

This document describes the development, actions, and implementation of San Jose Water's (SJW) Water Shortage Contingency Plan (WSCP).

Section 10632(a) of the California Water Code (CWC) outlines the requirements for the WSCP. The WSCP is required to be submitted to the California Department of Resources (DWR) as part of SJW's 2020 Urban Water Management Plan (UWMP). However, the WSCP is also intended to be a standalone plan that can be amended on a different cycle than the UWMP's five-year update cycle. Thus, this WSCP is written such that it can be understood separately from the UWMP. The WSCP is a detailed proposal for how a water supplier intends to act in the case of an actual water shortage condition. This plan is part of good drought policy even if a supplier's water supply appears to have a low probability of shortage conditions, as it improves preparedness for droughts and other impacts on water supplies.

This WSCP defines six water shortage stages (Alert, Warning, Severe, Critical, Extreme, and Emergency) to address shortage conditions ranging from 10% to greater than 50% of supply reduction. This WSCP outlines shortage response actions, communication protocols, and compliance and enforcement measures that are enacted at each water shortage stage. The first two shortage stages are voluntary conservation stages, while the remaining stages are mandatory conservation stations. This WSCP also describes the authorities governing implementation of the WSCP, financial consequences and mitigation measures for WSCP activation, monitoring and reporting of WSCP implementation, and procedures for plan refinement, adoption, submittal, and availability.

1.1 Water Supply Reliability Analysis

As SJW's wholesale water supplier, Valley Water provides or manages the majority of SJW's water supplies. Thus, SJW used information received from Valley Water to inform SJW's Water Supply Reliability Analysis. Based on information provided by Valley Water from their draft 2025 UWMP, Valley Water will have sufficient supplies to meet SJW's and other retailers' demands through 2050 under average year, single dry year, and five consecutive dry year conditions, and under a Drought Risk Assessment (DRA) condition for a drought that lasts five consecutive years.

SJW's sources of potable water supply include purchased water from Valley Water, groundwater from the Santa Clara Subbasin (managed by Valley Water), and surface water from local watersheds. SJW's basic water supply strategy is to maximize use of local surface water, use up to the maximum purchased water contract amounts, supplement remaining supply needs with groundwater, and otherwise implement WSCP actions when water supplies are limited and reductions must be made on the demand side. Although SJW's water supply portfolio also includes a small portion of recycled water, this WSCP focuses primarily on potable water supplies. As recycled water is available year-round and is produced from ample wastewater supplies, it is not subject to voluntary and mandatory drought restrictions like potable water supplies.

Various threats to SJW's sources of potable water supply may require SJW to activate its WSCP. Although SJW has contracts with Valley Water on the quantities of purchased water to be delivered, actual water deliveries may vary based on hydrologic variability, interruptions in Valley Water facility operations, calls for conservation, and Valley Water's allocations of Delta-conveyed imported water through the Central Valley Project (CVP) and State Water Project (SWP). Groundwater can be a reliable supply because supplies are local and available even when surface flows become limited. However, during drought conditions, groundwater supplies can become threatened by overdraft, and SJW may need to limit groundwater pumping based on guidance from Valley Water on sustainable basin management. Potential threats of contamination in the groundwater basin may also limit SJW's ability to pump groundwater. Lastly, while surface water is locally available and less dependent on actions from other agencies, surface water supplies are highly variable depending on hydrologic conditions and only contribute to a small portion of SJW's water supply portfolio.

1.2 Annual Water Supply and Demand Assessment Procedures

Beginning July 1, 2022, water suppliers were required to prepare an annual water supply and demand assessment (AWSDA) and submit an Annual Water Shortage Assessment Report (Annual Shortage Report) to DWR. The Annual Shortage Report is due by July 1 of every year. The Annual Shortage Report evaluates the availability of SJW's sources of supply for the current year and one subsequent dry year.

1.2.1 Sources of Supply

A summary of available sources of supply and their quantities is listed below. More details can be found in Chapter 6 of the UWMP.

- **Purchased Water** – SJW and Valley Water currently have a three-year treated water contract for fiscal years 2026/2027 – 2028/2029, with contract supplies of 68,265 AF (22,243 MG) in each fiscal year. Actual amount of water delivered depends on considerations including hydrologic variability, interruptions in Valley Water facility operations, calls for conservation, and water quality.
- **Groundwater** – SJW produces approximately 14,500 MG/year of treated groundwater, based on a 10-year average (2016-2025). SJW draws water from the Santa Clara Subbasin, which has an operational storage capacity of 350,000 AF (114,000 MG) as estimated by Valley Water. Valley Water does not currently have direct control over the amount of groundwater that SJW can extract from the basin. However, Valley Water influences the groundwater amounts pumped by SJW and other water retailers in Santa Clara County, as part of basin management efforts.
- **Surface Water** – SJW produces approximately 2,400 MG/year of treated surface water from local watersheds, based on a 10-year average (2016-2025). Actual surface water supplies are highly variable depending on hydrologic conditions.
- **Recycled Water** – Recycled water allocations are rooted in the original Wholesaler-Retailer agreement and the subsequent amendments between South Bay Water Recycling (SBWR) and SJW. These allocations are in turn tied to SJW's *Recycled Water Master Plan*, which outlines the capacity associated with each of SJW's recycled water pipeline alignments.

1.2.2 Methodology and Data

In its existing practices, SJW regularly coordinates with Valley Water on purchased water allocations and groundwater basin conditions, monitors water production totals and system demands, and evaluates hydrologic conditions and available surface water supplies. Monthly executive water supply reports are prepared, which show monthly and year-to-date water production totals, monthly trends and comparison to historical averages, current Valley Water and SJW surface water reservoir levels, and Santa Clara Subbasin groundwater levels. Such findings inform decision-making processes on whether upcoming supply shortages are determined to be present and if associated shortage response actions will be needed.

In addition, Valley Water projects available water supplies on an annual basis, and such findings inform the availability of purchased water and groundwater supplies to SJW. Valley Water's annual water supply operations planning begins each September for the upcoming year and considers water year scenarios that span from wet to very dry. The projection of water supplies through the end of the year is based on median conditions (50% exceedance), assumed dry conditions (90% exceedance), and in some cases, critically dry conditions (99% exceedance). The planning process considers all of Valley Water's water supply system and sources, current groundwater storage, treated water contracts, local water rights and storage, environmental restrictions, source water quality, planned facility maintenance, imported water carryover, imported water contract terms, stored water in carryover and the Semitropic Bank, and potential water transfers. The planning process is dynamic and Valley Water updates rainfall data, imported water allocations, water supply projections, availability of supplemental supplies, and facility capacities at least monthly to reflect current conditions. As assumptions and projections are updated through the year, Valley Water continues to update its end-of-year groundwater storage projections, which Valley Water uses as an indicator of a potential water supply shortage.

Many of the same considerations and sources of information from SJW's ongoing water supply planning practices and coordination with Valley Water will be used for the Annual Shortage Report:

- **Purchased Water** – Anticipated purchased water supplies are generally set by the three-year treated water contracts that SJW has with Valley Water. SJW provides Valley Water with a monthly delivery schedule based on the annual contract total, average monthly demands, and average supply availability from other sources. SJW will make changes to anticipated purchased water amounts based on direction received from Valley Water.
- **Groundwater** – As the designated groundwater sustainability agency for the Santa Clara Subbasin, Valley Water may provide guidance on groundwater pumping amounts to retailers, which SJW will take into account. The state of the groundwater basins is reported monthly by Valley Water through a Groundwater Conditions Report[1] and Water Tracker[2]. The Groundwater Conditions Report and Water Tracker contain a description and quantification of available water supplies

[1] Valley Water. *Groundwater Monitoring.* Where Your Water Comes From. https://www.valleywater.org/your-water/where-your-water-comes-from/groundwater/groundwater-monitoring
[2] Valley Water. *Monthly Water Tracker.* Water Supply Planning. https://www.valleywater.org/your-water/water-supply-planning/monthly-water-tracker

including local reservoirs, imported water, treated water, recycled water, conserved water, and groundwater data, such as recent managed recharge, pumping, and storage trends. During abnormally dry years, SJW collaborates with Valley Water's Groundwater Management Unit to provide expanded groundwater level data and monthly pumping projections from each SJW groundwater facility. This information helps inform Valley Water on strategic recharge operations and targeted pumping reductions if subsidence becomes a concern, and in turn, informs guidance on groundwater pumping amounts to SJW.

- **Surface Water** – SJW monitors rainfall, surface water reservoir levels, and streamflow on an ongoing basis. In the spring, SJW's Operations department will complete analysis to determine available surface water supplies for the remainder of year by creating a Release Plan for its Lake Elsman. Beginning in late spring and early summer, creeks supplying SJW's raw water intakes begin to dry up, with the exception of Los Gatos Creek, which can be supplied with releases from Lake Elsman in the upper watershed. The Release Plan evaluates existing levels in Lake Elsman, amount of flow to release to meet environmental compliance requirements, and available flow to be sent to SJW's Montevina Water Treatment Plant over the remainder of the year.
- **Recycled Water** – As recycled water is available year-round and is produced from ample wastewater supplies, it is not subject to voluntary and mandatory drought restrictions as other potable water supplies are, does not have the same supply constraints, and is mostly for non-essential irrigation use. However, all SJW's recycled water customers are metered and SJW will coordinate with SBWR to examine recycled water supplies and demands as needed for this Annual Shortage Report.
- **System Demands** – Monthly water production data from the Operations department will be analyzed for trends and comparison to historical averages to determine system demand projections for the current year and one subsequent dry year. Anticipated water demands will also be adjusted based on considerations such as upcoming conservation measures (SB 606 and AB 1668), weather, economic factors, or land use changes.
- **Infrastructure Considerations** – SJW will evaluate the capacity of available infrastructure for producing and delivering supplies, considering infrastructure that may be out-of-service or scheduled for maintenance/upgrades, as well as infrastructure that may be coming online. SJW tracks on an ongoing basis which groundwater wells are on standby and will evaluate that groundwater well infrastructure is available to provide adequate supplies. Similarly, SJW will also evaluate that surface water infrastructure (intakes, reservoirs, water treatment plants) are available for producing and delivering supplies. In coordination with Valley Water, SJW will adjust its supply portfolio based on planned maintenance activities at Valley Water's water treatment plants that may temporarily limit purchased water supplies.

1.2.3 Decision-Making Process

SJW's Annual Shortage Report will be led by the Capital Planning group, with support from the Operations and Field Service departments. Final sign-off on the Annual Shortage Report will be provided by SJW's President or other Vice President-level staff.

The anticipated timeline for SJW's Annual Shortage Report process is summarized below:

- March: SJW completes analysis to determine available surface water supplies for the remainder of the year.
- April: SJW conducts Annual Shortage Report.
- May: Annual Shortage Report is routed internally for review and final approval.
- June 30th: Annual Shortage Report is submitted to DWR.

1.3 Six Standard Water Shortage Stages

SJW uses six water shortage stages in its WSCP to categorize water supply shortage. SJW follows voluntary or mandatory conservation targets set by Valley Water or other authorized government entities. SJW's water shortage stages were set based on SJW's experience with calls to conservation during the drought of 2012-2016. The drought saw increasing urgency to reduce water consumption in Santa Clara County. Some of the history is as follows:

- February 2014 – Valley Water's Board of Directors approved a resolution setting a countywide water use reduction target equal to 20% of 2013 use through December 31, 2014, and recommended that retail water agencies, local municipalities and the County of Santa Clara implement mandatory measures as needed to achieve the 20% water use reduction target.
- March 2015 – As drought conditions worsened, Valley Water called for 30% water use reductions, and recommended that retail water agencies, municipalities, and the County implement mandatory measures as needed to accomplish that target, including a two day per week outdoor irrigation schedule. Both City of San José and SJW echoed the call for a 30% reduction in use and promoted the two day per week irrigation schedule along with special drought rates.
- April 1, 2015 – the governor directed the State Water Resources Control Board to implement mandatory water reductions in urban areas to reduce potable urban water use by 25% statewide. Then, as required by the California Public Utilities Commission (CPUC), SJW filed its revised Water Shortage Contingency Plan on May 11, 2015. Customers were publicly noticed about the filing and the public meeting that occurred on May 28, 2015. The CPUC approved SJW's plan effective June 15, 2015. Due to favorable historical gallons per capita per day (gpcd) use, SJW was given a mandatory reduction level of 20%.

As of 2025, SJW has adopted DWR's six standard water shortage stages as shown in the table below. The second table provides a summary of the shortage response actions for each water shortage stage.

DWR Standard Water Shortage Levels		
Stage	Stage Title	Water Shortage Levels
1	Alert	Up to 10%
2	Warning	10 to 20%
3	Severe	20 to 30%
4	Critical	30 to 40%
5	Extreme	40 to 50%
6	Emergency	Greater than 50%

Water Shortage Contingency Plan Levels		
Shortage Level	**Percent Shortage Range**	**Shortage Response Actions**
1	Up to 10%	This voluntary conservation stage will be called by SJW when customers are asked to meet conservation targets. Outdoor irrigation limits may be declared specifying the number of days per week irrigation will be allowed. Certain non-essential or unauthorized uses of water will be declared wasteful uses of water. Commercial, Industrial, and Institutional customers may not use potable water to irrigate nonfunctional turf.
2	Up to 20%	This voluntary conservation stage will be called if SJW determines that further measures are needed to reduce water consumption. Water reduction needed. In addition to the non-essential or unauthorized uses of water listed in Stage 1, further restrictions may be imposed, including limiting watering days to 3 days per week. Drought rate structures and surcharges for residential and dedicated irrigation customers may go into effect if required and authorized by the CPUC.
3	Up to 30%	This mandatory conservation stage will be called by SJW when severe water reductions are needed. In addition to the non-essential or unauthorized uses of water listed in previous stages, more restrictions will be enacted, including limiting watering days to 2 days per week.
4	Up to 40%	This mandatory conservation stage will be called by SJW when critical water reductions are needed. In addition to the non-essential or unauthorized uses of water listed in previous stages, more restrictions will be enacted, including limiting watering days to 1 day per week.

Water Shortage Contingency Plan Levels		
Shortage Level	**Percent Shortage Range**	**Shortage Response Actions**
5	Up to 50%	This mandatory conservation stage will be called by SJW when extreme water reductions are needed. In addition to the non-essential or unauthorized uses of water listed in previous stages, more restrictions will be enacted, including prohibiting all watering days. Flow restrictor devices may be installed to ensure compliance.
6	>50%	This mandatory conservation stage will be called by SJW when emergency water reductions are needed. In addition to the non-essential or unauthorized uses of water listed in previous stages, more restrictions will be enacted, including prohibiting all watering days. Flow restrictor devices may be installed to ensure compliance. Drought rate structures and surcharges for commercial, industrial, and institutional customers may go into effect if required and authorized by the CPUC.

SJW previously used five water shortage stages in its 2020 WSCP, which was filed with the CPUC in the form of two documents called *Schedule 14.1 Water Shortage Contingency Plan with Staged Mandatory Reductions and Drought Surcharges* and *Rule 14.1 Water Shortage Contingency Plan*. SJW's Schedule 14.1 and Rule 14.1 documents, which show the five stages that were authorized by the CPUC, can be found in Appendix A and Appendix B. SJW anticipates working with the CPUC to modify its Rule 14.1 to align with the revised six stages. SJW's Schedule 14.1 is currently dormant until triggered by specific conditions, such as declaration of a water shortage emergency by a water wholesaler, government agency, or the governing body of a distributor of a public water supply. Schedule 14.1 cannot be activated until SJW receives authorization to do so from the CPUC (see Section 1.7.1).

1.4 Shortage Response Actions

SJW's WSCP includes two key categories of actions meant to reduce water use:

- Staged implementation of water restrictions and prohibitions on non-essential water uses
- Implementation of an allocation and drought surcharge program for both residential customers and for dedicated irrigation accounts
- Implementation of an allocation and drought surcharge program for commercial, industrial, and institutional customers in Stage 6 (Emergency)

1.4.1 Demand Reduction

During a drought, SJW works with Valley Water and other retail agencies in the County to collaborate on additional public outreach strategies and water conservation measures. For example, in 2015 during the drought, SJW and the other retailers in Santa Clara County worked with Valley Water on a two day per week outdoor irrigation limitation. Additionally, several consumption reduction methods used by SJW are described in Table 8-3.

Submittal Table 8-3 Retail: Demand Reduction Actions Water Code Section 10632(a)(4)(B),(D), and (E)					
Yes	Is the Supplier completing this table using the standard six levels? (yes/no)				
Shortage Level	Demand Reduction Actions	How much is this going to reduce the shortage gap?		Additional Explanation or Reference (OPTIONAL)	Penalty, Charge, or Other Enforcement?
		Volume or Percentage	Shortage Gap Reduction Value (May be a range)		
1	Landscape - Other landscape restriction or prohibition	Percentage	2	No irrigation during and up to 48 hours after measurable rainfall	No
1	Landscape - Limit landscape irrigation to specific times	Percentage	2	No irrigation between 10:00 a.m. and 8:00 p.m.	No
1	Other - Customers must repair leaks, breaks, and malfunctions in a timely manner	Percentage	2	Must fix leaks within 5 days of notice	No
1	Other - Require automatic shut of hoses	Percentage	0-1	No washing vehicles, hardscape, buildings, or structures without a shut off device	No
1	CII - Other CII restriction or prohibition	Percentage	1	Commercial car washes must recycle their wash water	No
1	CII - Restaurants may only serve water upon request	Percentage	0-1		No
1	CII - Lodging establishment must offer opt out of linen service	Percentage	0-1		No
1	Water Features - Restrict water use for decorative water features, such as fountains	Percentage	0-1	No use of potable water in a water feature that does not recirculate the water	No
1	CII - Other CII restriction or prohibition	Percentage	1		No
1	Other	Percentage	0-1	Other restrictions as prescribed by the CPUC or SJW	No
2	Landscape - Limit landscape irrigation to specific days	Percentage	3	Limit irrigation to 3 days per week	Yes
2	Other - Prohibit use of potable water for washing hard surfaces	Percentage	2	No runoff allowed from the washing of hardscape, buildings, structures, etc.	Yes
2	Other - Customers must repair leaks, breaks, and malfunctions in a timely manner	Percentage	2	Must fix leaks within 72 hours of notice	Yes
2	Implement or Modify Drought Rate Structure or Surcharge	Percentage	4	Drought surcharges for residential and dedicated irrigation accounts as approved by the CPUC	Yes
2	Other	Percentage	1	Other restrictions as prescribed by the CPUC or SJW	Yes
3	Landscape - Limit landscape irrigation to specific days	Percentage	5	Limit irrigation to 2 days per week	Yes
3	Other water feature or swimming pool restriction	Percentage	2	No use of potable water for filling of ponds/lakes more than one foot (except when ponds/lakes are drained for repairs)	Yes
3	Other - Prohibit vehicle washing except at facilities using recycled or recirculating water	Percentage	1		Yes
3	Other - Prohibit use of potable water for construction and dust control	Percentage	0-1		Yes
3	Other - Prohibit use of potable water for washing hard surfaces	Percentage	0-1		Yes
3	Other	Percentage	1	Other restrictions as prescribed by the CPUC or SJW	Yes
4	Landscape - Limit landscape irrigation to specific days	Percentage	6	Limit irrigation to 1 day per week	Yes
4	Other water feature or swimming pool restriction	Percentage	1	No use of potable water for filling of residential pools/spas more than one foot or initial filling (except when pools are drained for repairs)	Yes
4	Other - Customers must repair leaks, breaks, and malfunctions in a timely manner	Percentage	1	Must fix leaks within 48 hours of notice	Yes
4	Other	Percentage	2	Other restrictions as prescribed by the CPUC or SJW	Yes
5	Landscape - Prohibit all landscape irrigation	Percentage	6	Prohibit irrigation with a few key exceptions	Yes

Submittal Table 8-3 Retail: Demand Reduction Actions Water Code Section 10632(a)(4)(B),(D), and (E)					
Yes	Is the Supplier completing this table using the standard six levels? (yes/no)				
Shortage Level	Demand Reduction Actions	How much is this going to reduce the shortage gap?		Additional Explanation or Reference (OPTIONAL)	Penalty, Charge, or Other Enforcement?
		Volume or Percentage	Shortage Gap Reduction Value (May be a range)		
5	Other water feature or swimming pool restriction	Percentage	2	No use of potable water for filling of swimming pools/spas, decorative fountains, and ponds/lakes	Yes
5	Other	Percentage	2	Other restrictions as prescribed by the CPUC or SJW	Yes
6	Implement or Modify Drought Rate Structure or Surcharge	Percentage	8	Drought surcharges for CII accounts as approved by the CPUC	Yes
6	Other	Percentage	2	Other restrictions as prescribed by the CPUC or SJW	Yes

1.4.2 Operational Changes

In its normal operations, SJW is diligent in minimizing water losses and water waste in its practices and distribution system. SJW also has a regular water conservation and customer outreach program in place. During water shortage conditions, operational changes would include tracking the highest water users (top 300 residential customers and top 150 commercial customers) and reaching out to offer conservation services to these customers. SJW did similar outreach in the past drought periods.

1.4.3 Supply Augmentation

SJW does not have any supply augmentation responses that would be triggered by a WSCP shortage stage, as indicated by Table 8-3. All SJW's sources of supply have been integrated into normal water management planning for shortage conditions and the water supply reliability analyses in SJW's WSCP and 2025 UWMP. Although SJW has emergency intertie connections with neighboring utilities, water transfers through those interties would not be considered a supply augmentation method, as no contracts are in place specifying quantities of water that can be obtained. During dry periods, Valley Water works to secure additional banked supplies stored in the Semitropic Groundwater Storage Bank and San Luis Reservoir in the Central Valley. However, supply from these reserves have already been incorporated into the water supply reliability analyses in Valley Water's and SJW's 2025 UWMP and thus were not listed as a supply augmentation response in SJW's WSCP. During dry periods, Valley Water also works to secure short-term water transfers and exchanges. However, according to Valley Water, there are considerable uncertainties with long-term costs and ability to make transfers in critical dry years, during which water quality challenges, regulatory requirements, and pumping restrictions may affect the ability to convey transfer supplies across the Delta. Water transfers and exchanges conducted by Valley Water were not considered a supply augmentation response by SJW and thus were not listed in SJW's WSCP.

Submittal Table 8-2 Retail: Supply Augmentation and Other Actions
Water Code Section 10632(a)(4)(A),(C) and (E)

Yes	Is the Supplier completing this table using the standard six levels? (yes/no)			
Shortage Level	Supply Augmentation Methods and Other Actions by Water Supplier	How much is this going to reduce the shortage gap?		Additional Explanation or Reference (OPTIONAL)
		Volume or Percentage Drop down	Shortage Gap Reduction Value (May be a range) (MG)	
	N/A			

NOTES: SJW's wholesaler, Valley Water, may implement supply augmentation responses but these are not considered a supply augmentation response by SJW.

1.4.4 Additional Mandatory Restrictions

SJW's WSCP stages 3, 4, 5, and 6 call for mandatory restrictions. SJW is not planning to implement additional mandatory restrictions, beyond the ones identified in Table 8-2 and SJW's current Schedule 14.1 and Rule 14.1.

1.4.5 Emergency Response Plan

Following a catastrophic supply interruption of water supplies resulting from a regional power outage, an earthquake, or other disaster, SJW would implement its Emergency Response Plan (ERP). The ERP is based on the Standardized Emergency Management System, National Incident Management System, guidance from the United States Environmental Protection Agency (USEPA), and direction from the California Division of Drinking Water (DDW).

SJW's plan is an "All Hazards" Plan that can be distributed to outside agencies so they will understand SJW's actions and be able to coordinate an appropriate response that is consistent with SJW's Incident Command System functions. SJW's ERP also includes a number of hazard- and function-specific annexes, which are used by staff during planning, training, exercising, and responding to various events.

During an emergency scenario where a large portion of the production and/or distribution system is compromised and customers require alternate sources of potable water, the key guidance document used by SJW is the *Multi-Agency Response Guidance for Emergency Drinking Water Procurement & Distribution* report. This report can be obtained from the California Office of Emergency Services.

As part of the emergency response framework SJW has adopted, the company established key Standardized Emergency Management System/National Incident Management System positions, as well as several others specific to SJW and its mission to adequately respond to water related emergencies.

SJW has developed Strategic Partnerships, with a variety of local, state and federal agencies and associations to better plan for and respond to emergencies. A listing and description are as follows:

- DDW is a division of the California State Water Resources Control Board (SWRCB) and is responsible for potable water utility regulation.
- SJW is a part of the Santa Clara County Emergency Managers Association, and participates in planning, training and exercises with the cities it serves. SJW also has a seat at the County Office of Emergency Services EOC, and trains and exercises with this agency.
- At a federal level, SJW participates with USEPA in training and exercise. SJW works with the Department of Homeland Security as a representative on the Water Sector Coordination Council, as a part of its membership with the National Association of Water Companies.
- SJW also plays coordinates with many of the community-based organizations in the area, specifically the Collaborating Agency Disaster Relief Effort and the Emergency Volunteer Center.

1.4.6 Seismic Risk Assessment and Mitigation Plan

SJW's ERP is an "All Hazards" Plan that covers seismic risks and actions during and after a seismic event. Specific Action Plans have been developed to address each of the high-risk threat scenarios identified in

SJW's Risk and Resiliency Assessment. SJW has a specific Action Plan for earthquakes and other disaster scenarios that may occur with a seismic event (power outage, water supply interruption, Valley Water outage, etc.). SJW's ERP references other documents that would be used during a seismic event.

In addition, SJW has an Enterprise Asset Management Plan (EAMP) in place that outlines the strategy, short-term plan, and long-term plan for managing water system infrastructure. The EAMP includes analysis on facilities that may be more vulnerable to seismic activity and the consequence of an asset failure, due to seismic events or other disaster scenarios. Within the EAMP, SJW also has a Groundwater Well Asset Management Plan (GWAMP), which focuses on SJW's groundwater well infrastructure that SJW may be more reliant on during a seismic event or other disaster scenario that results in water supply interruptions from Valley Water. The GWAMP includes a Well Supply Capacity Evaluation that evaluates the ability of SJW's groundwater well infrastructure to deliver sufficient water to meet future demands out to 2040. One of the analyzed scenarios was an emergency scenario, which assumes that both local surface water and purchased water supplies are unavailable for 30 days following a 7.9 magnitude earthquake on the San Andreas Fault due to infrastructure damage. The assumption for purchased water supply interruptions is based on a worst-case outage scenario that Valley Water uses in its infrastructure reliability planning efforts. The Well Supply Capacity Evaluation also assumed a 20% reduction in demands due to emergency water conservation efforts and limits on groundwater well operating run times to prevent wearing out pumping equipment and causing long-term damage to the aquifer. The results of the evaluation showed that the current pumping capacities of SJW's groundwater wells are sufficient and should be maintained to meet future water demands within SJW's service area in an emergency scenario, where groundwater accounts for 100% of the total potable water supplied into the distribution system.

SJW also references local hazard mitigation and multihazard mitigation plans applicable to its service area for assessing seismic risk including a multijurisdictional hazard mitigation plan for Santa Clara County[3] published by the County of Santa Clara.

1.4.7 Shortage Response Action Effectiveness

Estimates of the anticipated effectiveness of WSCP shortage response actions can be found in Table 8-2.

1.5 Communication Protocols

Public information campaigns for water conservation are done on an ongoing basis under all water supply conditions. Under WSCP stages, communications would be scaled up according to the water shortage situation. Communication campaigns would include information on the current WSCP stage, current and predicted supply shortage conditions, voluntary or mandatory water use restrictions that are in effect, and information on SJW's water conservation programs.

For stages 1 and 2, most communication would be done through SJW's website or social media posts. Beginning in Stage 3 with the implementation of mandatory restrictions, more robust communication campaigns would be implemented, through outreach methods including: additional info on SJW's website

[3] County of Santa Clara. (2023.) *Santa Clara County Multijurisdictional Hazard Mitigation Plan.* https://oem.santaclaracounty.gov/partners/operational-area-hazard-mitigation-program

and social media platforms, bill inserts, emails and/or text messages, postcards, letters, and staff attendance at public events such as homeowner association meetings and neighborhood events.

As appropriate, communication protocols from SJW's ERP would be followed. SJW has established emergency planning partnerships with other parties, including neighboring water utilities and law enforcement agencies. SJW's ERP contains a comprehensive contact list[4] for these parties and many other local and national agencies that SJW may need to rely on or notify as part of its WSCP actions.

1.6 Compliance and Enforcement

SJW is a retail water utility but is not a municipality or code enforcement agency. SJW makes every effort to work with its customers to educate them about the efficient use of water and to observe water use restrictions during times of drought. However, if violations of drought restrictions do occur, SJW has a process in place to correct the issue with the customer. In general, Customer Service Field Service Inspectors and Conservation Department Inspectors will respond to water-waste violations seven days per week. The process for responding to a water-waste violation is described below. Additional information is available in Schedule 14.1 in the section entitled "Enforcement of Staged Mandatory Water Reductions".

The four step water-waste inquiry process is as follows when responding to an initial complaint:

1. A door hanger is left at the customer's property that contains specifics of the violation
2. If the issue continues, a second door hanger is left at the residence and a letter is sent to the customer with a request to correct the problem
3. If the issue continues, the customer will receive a certified letter and SJW will attempt to meet in person with the customer to attempt to resolve the issue
4. If the issue still continues, SJW will attempt to photograph the violation and then contact the customer by phone to attempt to resolve the issue

If the violation is still not corrected, as described in Schedule 14.1, SJW has the right to install a flow restrictor on the customer's service and/or report the customer to the necessary enforcement agency (municipal code enforcement for that particular jurisdiction). Additional description of the flow restriction process is described in Schedule 14.1. As described in Schedule 14.1, SJW can ultimately shut off water service to a customer if a water-waste violation is not corrected. However, these measures are only considered as a last resort if repeated attempts to work with the customer to correct the problem are not successful.

SJW's Schedule 14.1 is currently dormant, and activation of any water shortage stages and associated provisions would need to be approved by the CPUC (see Section 8.7.1). Valley Water promotes water efficiency year-round, reflecting the principles of Stage 1, even when it is not formally declared. If a declaration of a water shortage emergency and associated mandatory water use restrictions were to be made in the near future, SJW would seek authorization from the CPUC to enact Schedule 14.1.

[4] Located in Annex B of SJW's ERP.

1.7 Legal Authorities

This section describes legal authorities that empower SJW to implement and enforce its shortage response actions, as required by CWC Section 10632(a)(7).

Under CWC Section 350, SJW shall declare a water shortage emergency condition to prevail within its service area, whenever SJW finds and determines that the ordinary demands and requirements of water consumers cannot be satisfied without depleting water supplies to the extent that there would be insufficient water for human consumption, sanitation, and fire protection.

SJW shall coordinate with any city or the County to which it provides water supply services for the possible proclamation of a local emergency under California Government Code, California Emergency Services Act (Article 2, Section 8558).

1.7.1 Statutory Authorities

As a public water system that is regulated by the CPUC, SJW must comply with water shortage-related emergency declarations, orders, and resolutions of various local and state government organizations. SJW's ability to activate its WSCP and associated shortage response actions is subject to authorization from the CPUC. Updates to SJW's WSCP as provided in Schedule 14.1 and Rule 14.1 require CPUC approval via a Tier 2 advice letter. Rule 14.1 serves as SJW's WSCP. Schedule 14.1 is an extension of the WSCP included in Rule 14.1, with staged mandatory reductions and drought surcharges. Any implementation of the WSCP in response to water shortages requires CPUC approval via a Tier 2 advice letter.

1.8 Financial Consequences of WSCP Activation

Financial consequences of WSCP activation can be mitigated by the activation of memorandum accounts to handle the divergence between actual and authorized usage and to track incremental expenses to implement the mandatory conservation program. The establishment of such memorandum accounts and the future recovery of their accumulated balances must be approved by the CPUC. Such expenses would be tracked in a memorandum account to be approved for recovery by the CPUC.

Drought surcharges can also be a mitigation for financial consequences of WSCP activation, in addition to being a tool for enforcing water use reductions. Drought surcharges are approved by the CPUC under Schedule 14.1. Surcharges would be tracked in a memorandum account authorized by the CPUC to offset lost revenues. Drought surcharges are based on excess use over drought allocations.

1.9 Monitoring and Reporting

WSCPs for urban retail water suppliers should include monitoring and reporting requirements and procedures that ensure appropriate data is collected, tracked, and analyzed for monitoring customer compliance and meeting state reporting requirements. SJW will monitor and report on implementation of its WSCP to ensure that shortage response actions are achieving their intended effectiveness, or determine if improvements and new actions need to be considered. SJW activates a Drought Committee consisting of staff members from the Field Service, Customer Service, Regulatory Affairs, Communications, and Billing departments when it is determined that interdepartmental communication pertaining to a drought or water shortage is necessary. SJW regularly tracks its potable water production, customer water

use, and conservation activities, and currently reports this information on a monthly basis to the SWRCB as part of the Monthly Urban Water Conservation Reporting regulation that was adopted by the SWRCB in 2020. SJW also keeps records of water-waste complaints, outreach materials and activities, metrics on outreach material distributed or participation in outreach events, and interactions between field staff and customers.

1.10 WSCP Refinement Procedures

WSCPs should include reevaluation and improvement procedures for systematically monitoring and evaluating the functionality of the WSCP to ensure shortage risk tolerance is adequate and appropriate water shortage mitigation strategies are implemented as needed. Refinements to the WSCP would be led by SJW's Director of Customer Service, with support from SJW's Drought Committee. The Drought Committee would meet regularly during a supply shortage condition and would ensure that the WSCP is implemented as an adaptive management plan and used as a dynamic tool. Input from other SJW staff, customers, Valley Water, and other stakeholders would be considered in the WSCP refinement process as appropriate.

1.11 Special Water Features Distinction

Water features that are artificially supplied with water, including ponds, lakes, waterfalls, and fountains, should be analyzed and defined separately from swimming pools and spas when developing the WSCP. SJW's demand reduction measures listed in Table 8-2 distinguish between swimming pools and spas, and water features that are not swimming pools or spas.

1.12 Plan Adoption, Submittal, and Availability

SJW's WSCP follows the same process of plan adoption, submittal, and availability as the UWMP. A public hearing would be held for the updated WSCP, with notice to the public and the draft plan made available for public inspection starting two weeks in advance of the public hearing. Following the public hearing, the updated WSCP would be formally approved by SJW's Board of Directors, with a written adoption resolution. SJW would file its WSCP with DWR no later than 30 days after adoption of the WSCP, and would make its WSCP available on its website to customers and any city or county within which SJW provides water supplies no later than 30 days after adoption of the WSCP. As an investor-owned utility regulated by the CPUC, SJW would also submit its updated WSCP to the CPUC as part of its general rate case filings. Following approval from the Board of Directors, the WSCP would be submitted to the CPUC in the form of Rule 14.1 and Schedule 14.1 documents via a Tier 2 advice letter. SJW would provide customer notice of the Tier 2 advice letter and associated public hearing, if determined to be necessary by the CPUC. Notice would be provided to customers through bill inserts or direct mailing, and through a posting in the local newspaper.

A public hearing was held on June 4, 2026 for SJW's 2025 UWMP and this WSCP. This WSCP was approved by SJW's Board of Directors on June XX, 2021, and the resolution documenting its adoption is included in Appendix D. Within 30 days after filing the 2025 UWMP to DWR, SJW will make the final combined 2025 UWMP and WSCP document available for public review on SJW's website.

SAN JOSE WATER

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