

Schedule 14.1 Update FAQs

Santa Clara County is facing an extreme drought emergency. If or when a water contingency plan needs to be in place, we have to be ready! It can be a long approval process and SJW has been preparing for all possible scenarios so we can meet the water needs of our community

The details of the plan have to be on file with the California Public Utilities Commission. Thus, there are two steps to the process:

1. File an updated Schedule 14.1 with the CPUC.
2. Implement the updated Schedule 14.1 when and if it is appropriate and approved by the CPUC.

We are submitting Schedule 14.1 updates to the CPUC on August 5th. **This filing does not mean there have been any changes to the customers' billing procedures. Water use restrictions are in place. However, there are no allocations or drought surcharges at this time.**

What is Schedule 14.1?

Schedule 14.1 compliments our drought response with the addition of drought surcharges or penalties for overuse during times of drought emergencies requiring mandatory water use reductions.

Where can I find Schedule 14.1 on our website?

All of our filings with the CPUC can be found [here](#).

Our existing Schedule 14.1 can be found on our [Billings and Schedules page](#).

Why are we filing this?

The [currently approved Schedule 14.1](#) was prepared in response to the previous drought from 2015-2017. The proposed updates to the Drought Allocation and Drought Surcharge program take into account current water supply conditions, Valley Water's call for conservation, and lessons learned from the Schedule 14.1 activations in 2015 and in the early 1990's. This filing is a first step towards to the implementation of drought surcharges, should they be necessary based on water supply conditions and/or requirements by the CPUC and other agencies.

Are we implementing surcharges at this time?

No, that comes when we activate Schedule 14.1. We are not implementing drought allocations and surcharges at this time. We will reassess water supply conditions after August 31, 2021 to determine the next course of action.

Who decides if we implement surcharges?

Ultimately, the CPUC has the final authority over its implementation. They will consider factors such as water supply conditions and/or further conservation mandates from the State or other governmental bodies. If there is the decision that surcharges are needed, we will seek CPUC authorization to do so. As part of that approval process, we will notify customers and conduct the required public hearing. Again, this will be determined after August 31.

What could the surcharges look like?

Our plan recognizes the efforts of those customers who have and continue to conserve, while encouraging others to do the same. The proposed updates set a minimum consumption number at which drought surcharges would not apply. Residential customers whose consumption falls below the system-wide monthly drought allocation will not be subject to drought surcharges.

The requirement is for customers to conserve 15% based on their monthly consumption from 2019 to avoid drought surcharges. For those who incur drought surcharges, any units of water above the monthly drought allocation will be charged at the Tier 3 rate in effect, currently \$7.14 per unit, in addition to the charges at regular rates for all units of water consumed.

How are we communicating with customers?

In early August, we mailed out a public notice to all customers that outlined all the Rule 14.1 water use restrictions. This is different than our Schedule 14.1. In addition, we sent a postcard laying out the current situation and providing required ways to conserve water. We also have information on social media and a webpage: www.sjwater.com/drought. We have been active on our social media channels since Valley Water's emergency drought declaration on June 9.

Does this also apply to landscape services?

Yes, the monthly drought allocations will also apply to dedicated landscape customers if and when SJW implements Schedule 14.1. These customers will need to reduce their monthly consumption by 15% based on 2019 usage to avoid drought surcharges. Any amounts above 85% of 2019's consumption will be assessed surcharges at the Tier 3 rate currently in effect, in addition to the charges at regular rates for all units consumed.

Will business customers be affected by Schedule 14.1?

No. At this time, no business customers are affected by Schedule 14.1.

What's the process for implementing Schedule 14.1 after it's been updated?

If and when SJW decides to implement Schedule 14.1, this will require notifying all customers and holding a public hearing. We will share these details with you as soon as they are available.