

## Assembly Bill No. 514

### CHAPTER 680

An act to add Section 111 to the Water Code, relating to water.

[Approved by Governor October 8, 2003. Filed with  
Secretary of State October 9, 2003.]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 514, Kehoe. Water meters.

Existing law requires the installation of a water meter as a condition of water service provided pursuant to a connection installed on and after January 1, 1992. Existing law declares that the state goal for measurement of water use is the achievement, on or before January 1, 1992, of the installation of water meters on all new water service connections after that date to systems owned or operated by a water purveyor.

This bill would require certain urban water suppliers that receive water from the federal Central Valley Project under a water service contract or subcontract, on or before January 1, 2013, to install water meters on all service connections to residential and nonagricultural commercial buildings constructed prior to January 1, 1992, that are located in their service area.

The bill would require these urban water suppliers, on and after March 1, 2013, or according to the terms of the Central Valley Project water contract in operation, to charge customers for water based on the actual volume of deliveries, as measured by a water meter. The bill would authorize these urban water suppliers to recover the cost of providing services related to the purchase, installation, and operation and maintenance of water meters from rates, fees, or charges.

*The people of the State of California do enact as follows:*

SECTION 1. The Legislature finds and declares all of the following:

(a) Water metering and volumetric pricing are among the most efficient water conservation tools. Water metering provides information on how much water is being used and facilitates the imposition of a water rate structure that encourages water conservation.

(b) Without water meters, it is impossible for homeowners and businesses to know how much water they are using, thereby inhibiting conservation, punishing those who conserve, and rewarding those who waste water.



(c) Existing law requires the installation of a water meter as a condition of water service provided pursuant to a connection installed on or after January 1, 1992, but the continuing widespread absence of water meters and the lack of volumetric pricing could result in the inefficient use of water for municipal and industrial uses.

(d) Municipal and industrial water contractors that receive water from the federal Central Valley Project are required to install water meters as a condition of water service, and in the absence of that installation, those contractors risk losing their water supplies. The loss of these water supplies would have devastating effects on the customers of those contractors, as well as the entire state. Other water supply sources would have to be found to replace that foregone water supply.

(e) At a time when the state is struggling in its efforts to cut back on the use of Colorado River water in accordance with federal requirements, Californians cannot afford to be deprived of tens of thousands of acre-feet of water because some municipalities decline to do what most municipalities have been doing for decades, which is to install and use water meters.

(f) This act addresses a subject matter of statewide concern, and it is the intent of the Legislature to supersede and preempt any enactment of a county or city, including a charter county or charter city, or other local public agency, to which this act applies.

SEC. 2. Section 111 is added to the Water Code, to read:

111. (a) Notwithstanding any other provision of law, any urban water supplier that, on or after January 1, 2004, receives water from the federal Central Valley Project under a water service contract or subcontract executed pursuant to Section 485h(c) of Title 43 of the United States Code with the Bureau of Reclamation of the United States Department of the Interior shall do both of the following:

(1) On or before January 1, 2013, install water meters on all service connections to residential and nonagricultural commercial buildings constructed prior to January 1, 1992, located within its service area.

(2) On and after March 1, 2013, or according to the terms of the Central Valley Project water contract in operation, charge customers for water based on the actual volume of deliveries, as measured by a water meter.

(b) An urban water supplier that receives water from the federal Central Valley Project under a water service contract or subcontract consistent with subdivision (a) may recover the cost of providing services related to the purchase, installation, and operation and maintenance of water meters from rates, fees, or charges.

(c) This section, which ensures the ability of certain urban water suppliers to meet the water supply needs of their customers, addresses



a subject matter of statewide concern and applies to all counties and cities, including charter counties and charter cities, and local public agencies that are urban water suppliers that are described in subdivision (a).

(d) For the purposes of this section, “urban water supplier” shall have the same meaning as set forth in Section 10617 and “water meter” shall have the same meaning as set forth in Section 110.

