

WORK PLAN

TO IMPLEMENT

SECTION 373.227, F.S. (SECTION 8 OF HOUSE BILL 293)

AND THE

JOINT STATEMENT OF COMMITMENT

***FOR THE DEVELOPMENT AND IMPLEMENTATION OF A
STATEWIDE COMPREHENSIVE WATER CONSERVATION PROGRAM
FOR PUBLIC WATER SUPPLY***

Florida Department of Environmental Protection
South Florida Water Management District
St. Johns River Water Management District
Southwest Florida Water Management District
Northwest Florida Water Management District
Suwannee River Water Management District
Florida Public Service Commission
Utility Council of the American Water Works Association, Florida Section
Utility Council of the Florida Water Environment Association
Florida Rural Water Association

DECEMBER 2004

Contents

Executive Summary	3
Background.....	4
House Bill 293.....	4
Objectives of This Document.....	5
Participant Collaboration.....	5
Communication and Outreach.....	5
Elements of This Work Plan	6
Work Plan Element 1: Develop and implement standardized public water supply conservation definitions and standardized quantitative and qualitative performance measures for an overall system of assessing and benchmarking the effectiveness of water conservation programs and practices.....	8
Issue Statement.....	8
Plan of Action.....	8
JSOC Requirements for Element 1	9
Work Plan Element 2: Establish a Clearinghouse and pilot applications for water conservation programs and practices that will provide an integrated statewide database for the collection, evaluation, and dissemination of quantitative and qualitative information on water conservation programs and practices and their effectiveness.	11
Issue Statement.....	11
Plan of Action.....	13
JSOC Requirements for Element 2	14
Funding the Clearinghouse.....	15
Organizational Structure and Oversight.....	18
Work Plan Element 3: Develop a Florida-specific water conservation Guidance Document, including a standardized process to assist public water supply utilities in the design and implementation of goal-based, utility-specific water conservation plans.....	20
Issue Statement.....	20
Plan of Action.....	20
JSOC Requirements for Element 3	22
Summary and Conclusions	24
Appendix 1: Joint Statement of Commitment for the Development and Implementation of a Statewide Comprehensive Water Conservation Program for Public Water Supply.....	25
Appendix 2: Excerpt from House Bill 293	32

Executive Summary

This Work Plan is submitted for consideration by the Signatories of the “Joint Statement of Commitment for the Development and Implementation of a Statewide Comprehensive Water Conservation Program for Public Water Supply” (Appendix 1). If approved by the Signatories, staff will seek to implement this improved approach to water use efficiency for Public Water Supply in Florida. This would implement the voluntary agreement made in the “Joint Statement of Commitment.” Even more importantly, it makes progress toward achieving the directives set out by the Florida Legislature in enacting House Bill 293 (Appendix 2), which created Section 373.227, F.S. of the Water Resources Act, in the 2004 Regular Session.

Improving water conservation in public water supply will require focused attention and funding. The use of new water conservation performance measures, the development and use of a statewide water conservation guidance document, and the development of a new statewide water conservation information clearinghouse will promote continual improvement in water use efficiency. It is estimated that an initial cost between \$250,000 to \$350,000 will be necessary to prepare the statewide guidance document and that a separate \$250,000 to \$350,000 will be necessary annually to staff the statewide clearinghouse, and keep the guidance document current.

This Work Plan, in accordance with the Joint Statement of Commitment, details the specific tasks, interim milestones, completion dates, estimated costs and potential funding sources, and assignment of responsibilities to:

- Develop standardized definitions and performance measures for water conservation data collection and analysis;
- Establish a clearinghouse for water conservation programs and practices;
- Develop and implement a standardized process for public supply utilities to participate in the statewide water conservation program for public supply;
- Develop and maintain a Florida-specific water conservation guidance document to assist public water suppliers in the design and implementation of a utility-specific water conservation program; and
- Implement pilot projects through cooperative agreements with volunteer utilities.

Creating this comprehensive program for public water supply will help improve the efficiency of water use in Florida.

Background

In 2001-2002, partly in response to the exceptionally severe drought of 1999 – 2001, the Department of Environmental Protection, in collaboration with the state’s water management districts, water providers, water users, and many other stakeholders, participated in the Florida Water Conservation Initiative. In the final report of the Initiative, published in April 2002, the participants collectively recommended further pursuit of a wide range of conservation tools.

As discussed in that report, public water supply is the second largest water use sector in Florida, and conservation is an important management tool for public water supply utilities. Although the water management districts and utilities have been developing, implementing, and refining water conservation programs for many years, the Initiative identified an opportunity for further improvement through the implementation of a comprehensive statewide water conservation program.

Toward that end, the Florida Department of Environmental Protection, the five water management districts, the Florida Public Service Commission, the Utility Council of the American Water Works Association (Florida Section), the Utility Council of the Florida Water Environment Association, and the Florida Rural Water Association signed a Joint Statement of Commitment (JSOC) to cooperatively develop such a program. A copy of the JSOC, in effect since February 2, 2004, is in Appendix 1.

The JSOC is an agreement among the signatories to commit staff and resources to develop a Work Plan for a public water supply conservation program, and to provide management level consideration of implementing all or portions of that plan.

House Bill 293

Subsequent to the signing of the JSOC, and based upon it, the 2004 regular session of the Florida Legislature enacted House Bill 293. The section of the bill relevant to this Work Plan can be found in Appendix 2. Among other things, the bill creates a new section 373.227, F.S., encouraging the use of efficient, effective, and affordable water conservation measures, and states that a goal-based, accountable, tailored water conservation program should be emphasized for public water supply utilities.

In the legislation, the Department of Environmental Protection is directed to “develop a comprehensive statewide water conservation program for public water supply.” This is to be done “in cooperation with the water management districts and other stakeholders.” This legislative action affirms the collaborative approach used in the Joint Statement of Commitment. This legislation was enacted to support and provide guidance to the general direction that the JSOC signatories were embarking upon. In addition to paraphrasing portions of the JSOC, and authorizing the Florida Department of Environmental Protection and the water management districts to adopt rules needed to carry out the intended purpose, the legislation requires a written report to be submitted to the Florida Legislature by December 1, 2005. The report is to specify any statutory changes and funding which may be necessary for continuing the Program.

The JSOC specified that this Work Plan be completed by February 2005 (12 months from the date of execution). This schedule allows the signatories time to consider and select elements of the Work Plan for implementation, and to document progress on Work Plan elements that are under-way prior to the December 2005 legislative reporting date. It also allows time to fine-tune implementation schedules and cost estimates, and to identify needs for additional legislation or funding.

Objectives of This Document

This document is the Work Plan the JSOC signatories agreed to develop. It is also presented for consideration by the signatories as a detailed blueprint to direct the development and implementation of the conservation program mandated by section 373.227, F.S. It will be amended, if necessary, and implemented as determined by the signatories following their consideration. Upon approval, the Department of Environmental Protection will use it as the basis for evaluating progress toward implementing the provisions of section 373.227, and in preparing, in cooperation with the water management districts and other stakeholders, the required legislative progress report.

Participant Collaboration

The JSOC signatories agreed that collaboration would be essential to the development of this Work Plan and to achieve the shared goals of the participants. To ensure a collaborative and transparent process, participants coordinated their activities in several ways.

- The Department of Environmental Protection scheduled regular meetings of the full Work Group to develop this Work Plan and report on progress.
- Various teams were formed to develop individual components of the Work Plan. They conducted much of their work via e-mail, teleconferencing, and posting information to an FTP Internet website.
- All work products associated with the development of the public water supply conservation program and this Work Plan are posted on an FTP Internet website at: <ftp://ftp.dep.state.fl.us/pub/owp/>. This website also includes a contact list and information on Work Group meetings.

Upon approval of the Work Plan, implementation will be similarly coordinated.

Communication and Outreach

The Work Group communicated its progress to the signatories and other interested parties through newsletters and professional journals, presentations at governmental and professional association meetings and conferences, and workshops for water management district staff and stakeholder groups.

Elements of This Work Plan

The Work Group structured this Work Plan around the three main Program Elements that emerged from many months of concerted effort by the participants. The Elements have their foundation in the original JSOC, and were validated by the creation of section 373.227, F.S. in the 2004 regular session of the Florida Legislature. The three Elements are:

1. *Develop and implement standardized public water supply conservation definitions and standardized quantitative and qualitative performance measures for an overall system of assessing and benchmarking the effectiveness of water conservation programs and practices.*
2. *Establish a Clearinghouse and pilot applications for water conservation programs and practices that will provide an integrated statewide database for the collection, evaluation, and dissemination of quantitative and qualitative information on water conservation programs and practices and their effectiveness.*
3. *Develop and maintain a Florida-specific water conservation Guidance Document, including a standardized process to assist public water suppliers in the design and implementation of a utility-specific, goal-based water conservation program. A flow chart detailing the conservation program design and implementation process is included with the Joint Statement of Commitment in Appendix 1.*

As shown in the figure on the following page, it is recommended to develop these three Key Elements over a period of several years, as follows:

- Early development of **Element 1** addressing standardized definitions and performance measures. This activity is already underway through a DEP contract using federal grant funds.
- Initiation and scaling up over several years, in **Element 2**, of a Water Conservation Clearinghouse for an integrated database on water conservation information. The Clearinghouse will use the standardized definitions and performance measures developed in Element 1. Element 2 also includes pilot applications, as needed, to evaluate specific conservation practices or programs. The pilot projects will provide input to the Clearinghouse and help guide the development and refinement of the Guidance Document (Element 3)
- Use of the standardized definitions and performance measures in a subsequent effort, described in **Element 3**, to develop a Florida-specific water conservation Guidance Document for public water supply utilities.

Schedule for Key Steps: Statewide Water Conservation Program for Public Supply

Activities	04	05	06	07	Cost
Develop and implement standardized definitions and performance measures.					\$73,996
Compile existing terminology and definitions. Develop a system of quantitative and qualitative performance measures. Implement standardized definitions and performance measures.					
Establish a water conservation clearinghouse.					\$250-350K per year
Design the main features of the Clearinghouse. Develop an outreach plan. Implement Phase 1 of the Clearinghouse. Implement Pilot Projects with volunteer utilities. Design Phase 2 of the Clearinghouse. Implement Phase 2 of the Clearinghouse. Design Phase 3 of the Clearinghouse. Implement Phase 3 of the Clearinghouse.					
Develop and maintain a Florida-specific water conservation guidance document.					\$250-350K
Define the schedule and process for preparing and updating the guidance document. Contract with consultant; develop Guidance Doc.					

Detailed implementation plans for these three Elements are presented in the following pages.

Work Plan Element 1: Develop and implement standardized public water supply conservation definitions and standardized quantitative and qualitative performance measures for an overall system of assessing and benchmarking the effectiveness of water conservation programs and practices.

Issue Statement

The lack of consistent terms, definitions, and performance measures has hampered the development, implementation, and evaluation of public water supply conservation programs. To ensure equity, accountability, and effectiveness, the Department of Environmental Protection, the water management districts, and public water supply utilities need a common language and a consistent set of standardized measurement tools. Subparagraph 373.227(2)(e), F.S. states that the statewide conservation program should use standardized definitions and performance measures “for an overall system of assessing and benchmarking the effectiveness of water conservation programs and practices.”

Plan of Action

The Department of Environmental Protection, through a grant from the National Oceanic and Atmospheric Administration (NOAA), contracted for the development of the standardized definitions and performance measures. The contract deliverables include:

- An annotated literature review of conservation definitions and performance measures.
- A survey of public water supply utilities and water management districts to identify conservation practices in current use and how their effectiveness is measured.
- A report evaluating the advantages and disadvantages of the definitions and performance measures.
- Recommendations for standardized definitions and performance measures.

The JSOC Work Group assisted in the selection of the consultant. It also provided an initial list of conservation terms, definitions, and performance measures currently in use (including an assessment of their perceived effectiveness), and a list of utilities to participate in the conservation practices survey. The role of the Work Group throughout the contract period is to provide continuous feedback to the consultant so that the final product will represent a consensus view of an appropriate set of standardized definitions and measures.

The definitions and performance measures have important links to the other Elements of this Plan. The *definitions* will be an input to the Water Conservation Clearinghouse (Element 2). They will comprise the glossary for the Guidance Document (Element 3), and will provide a standardized terminology for use in the development of the overall conservation program. The *performance*

measures will be an input to the Clearinghouse and Guidance Document, and will ultimately be used to evaluate the effectiveness of goal-based water conservation programs proposed by utilities.

JSOC Requirements for Element 1

The Joint Statement of Commitment requires that this Work Plan include specific tasks, interim milestones, completion dates, estimates of costs, and assignment of responsibility for each Element. For Element 1 these are:

A. Specific Tasks

- Conduct literature review of definitions and performance measures and develop an annotated list of definitions.
- Develop a survey instrument and conduct a survey of water management districts and public water supply utilities regarding current use of conservation practices and methods employed to assess their effectiveness.
- Inventory and evaluate water conservation definitions and performance measures in use.
- Develop recommendations for standardized definitions and performance measures.

B. Interim Milestones

- The literature search and definitions lists are to be completed by August 31, 2004.
- The survey and report analyzing results is to be completed by December 31, 2004.
- The inventory of definitions and performance measures is to be completed by December 31, 2004.
- The final recommendations are to be completed by February 28, 2005, with the understanding that this initial work product may be modified during the process of developing the Guidance Document.

C. Completion Date

The completion date for Element 1 is February 28, 2005.

D. Estimated Cost

Total cost for Element 1 is \$73,996.

E. Lead Responsibility

The Department of Environmental Protection is the lead agency and is responsible for administering the contract with the consultant. The Department and the consultant will coordinate all activities related to Element 1 with the JSOC Work Group.

Work Plan Element 2: Establish a Clearinghouse and pilot applications for water conservation programs and practices that will provide an integrated statewide database for the collection, evaluation, and dissemination of quantitative and qualitative information on water conservation programs and practices and their effectiveness.

Issue Statement

The JSOC Work Group recognized a need for a Water Conservation Clearinghouse to receive, archive, and disseminate general and Florida-specific information to aid public water supply utilities and water management districts in the design, implementation, and evaluation of water conservation programs and practices. Although there is a great deal of useful information available on water conservation, it is often difficult to locate, access, and use. There is no central repository for published research, case studies, best management practices, performance measures, and other information, especially Florida-specific information, useful in developing effective water conservation programs. Subparagraph 373.227(2)(f), F.S. states that the statewide conservation program should create a clearinghouse for water conservation programs and practices. Further details regarding the nature and function of the clearinghouse, as directed by the Legislature, can be found in the excerpt from House Bill 293 in Appendix 2.

The Clearinghouse is intended to be a multifaceted resource for water conservation in the State of Florida. The Clearinghouse is planned to be an open facility that will be available to anyone desiring to access this resource; however, the primary users of the Clearinghouse are envisioned to be officials and staff of municipalities and utilities located within the State of Florida who have elected to develop alternative goal-based water conservation plans. When fully implemented, the Clearinghouse will provide:

- A searchable data base of historic and current water conservation studies, reports, and research papers;
- A searchable data base of standardized terms, definitions, and performance measures for use in preparing and evaluating water conservation plans;
- A mechanism for benchmarking practices among utilities to determine and compare the effectiveness, such as water savings, cost-benefit, and related information for planned or ongoing water conservation programs;
- A means for water conservation professionals to access technical assistance for understanding, developing, and implementing effective and efficient water conservation projects or programs.

- A repository of water conservation practices and programs, and analytical tools to allow the evaluation of water conservation programs and practices as an aid to selecting the best management practices for given situations;
- Oversight and management of research efforts directed to the development of new or innovative water conservation and water supply programs, procedures, and resources; and
- Ongoing evaluation of the results of implementation of the Guidance Document, and recommendations for updating it to improve results.

Prior to full implementation of the goal-based conservation program, it could be useful to implement pilot applications of some components of the overall program. Information gained from the pilot applications would be included in the Clearinghouse to aid utilities in developing goal-based conservation programs. In determining which components to pilot, which criteria to use in selecting utilities to undertake the pilot projects, and how and by whom the results would be monitored and assessed, several assumptions were made:

- Pilot projects would address one or more of the steps in the "Flow Chart" (Utility Process for Statewide Comprehensive Water Conservation Program), e.g., developing a utility-specific water use profile, establishing conservation goals as part of an overall plan, reporting data to a statewide clearinghouse, etc.;
- Utilities considered representative of distinct size categories and geographically dispersed across the state and among the five districts should be involved;
- Utility participation would be voluntary, with preference given to utilities with a strong track record in water conservation and include both those utilities on the JSOC Group and others;
- Technical assistance would be provided to the utilities, as needed, and the progress of the projects closely monitored; and
- A final evaluation and report for the overall piloting effort (including lessons learned and direction for the overall JSOC program) should be generated.

The following overall structure for pilot projects is recommended:

- Pilot projects should focus on the methodology for developing a Utility Profile, and on Conservation Plan development, including the development of goals.
- Selection criteria for utilities should include, at a minimum: voluntary participation by utilities with good conservation programs, equitably distributed within the state and among the five WMDs, and representing at least three size categories. Participating utilities should be encouraged to join the JSOC Work Group discussions.
- The Water Use Efficiency Division of the Florida Section of the American Water Works Association, in close coordination with the JSOC Work Group, should guide the monitoring and assessment.

Additional details about the purposes and design of the pilot projects can be found in the team's full report, which is included in the Background Documents.

Plan of Action

The Clearinghouse should be developed in three phases. Phase 1 will build upon the Water Conservation Library (<http://www.swfwmd.state.fl.us/watercon/conservation.htm>) developed by the Southwest Florida Water Management District. It will continue to function primarily as a library for gathering information and making it available to the public. Upon completion of Element 1 of this Work Plan (standardized definitions and performance measures) the definitions and performance measures will be added to the Clearinghouse. Upon completion of Element 3 (Water Conservation Guidance Document), the Guidance Document will be included. Other Phase 1 information may include compilations of Best Management Practices, model conservation ordinances, and links to useful websites.

The Southwest Florida Water Management District could staff the Clearinghouse in the start-up phase if it is not managed under contract to some other entity such as a state university. This would be a continuation of current SWFWMD activities such as organizing and posting new information to the website as it is received. This should require minimal effort and could be accomplished with existing staff. Phase 1 start-up will begin in March 2005.

An important task, and one that will receive priority during Phase 1, is to reach consensus on where to permanently locate the Clearinghouse, who will determine its content, and how it will be funded over the long-term. An equally important task will be to reach consensus on what additional functions will be added to the Clearinghouse in Phase 2. Phase 2 could include the addition of permanent, full-time Clearinghouse staff, limited technical assistance to utilities, pilot project results and analyses, database design, and development of a research agenda. Phase 2 implementation is projected to begin in mid-2006.

Phase 3, as envisioned in the JSOC and section 373.227, F.S., should include a fully integrated, statewide database with complex quantitative and qualitative analysis capabilities. It should have a permanent staff and budget, and should provide technical assistance to aid in the design, refinement, and implementation of water conservation programs and practices. It should have the capability and responsibility to assess the effectiveness of water conservation programs and practices with a goal of continual improvement. The detailed design of Phase 3 will be an important task during Phase 2 implementation. Phase 3 could include full staffing of the Clearinghouse, a strong technical assistance program including the ability to assess effectiveness of various conservation programs and practices, completion of the database, and an active research program. Phase 3 implementation is projected to begin in mid-2007.

To implement the pilot applications, the Work Group will continue to solicit volunteer utilities to participate. Some utilities have already volunteered, but not enough to achieve the desired geographic scope or a sufficient mix of different sized utilities. Additional outreach to midsize and small utilities will be used to promote the benefits of participation. The Work group will also look at the possibility of incentives to encourage participation.

The Water Use Efficiency Division of the Florida Section of the AWWA will have an essential role in monitoring and evaluating the pilot applications.

JSOC Requirements for Element 2

The Joint Statement of Commitment requires that this Work Plan include the specific tasks, interim milestones, completion dates, estimates of costs, and assignment of responsibility for each element. For Element 2 these are:

A. Specific Tasks

- Design the main features of Phase 1 of the Clearinghouse.
- Develop an outreach plan to raise awareness of the Clearinghouse.
- Develop pilot projects to test and evaluate components of the conservation program. Results will be used to fine-tune the program and will feed back into the Clearinghouse.
- Implement Phase 1.
- Design and implement Phase 2.
- Design and implement Phase 3.

The Work Group also developed more detailed concepts for one way the Clearinghouse might be phased, what its content should be, how it could be managed, an outreach plan, and a discussion of proposed pilot applications. Those reports are included in the Background Documents.

B. Interim Milestones

- Phase 1 design and outreach plan to be completed by March 2005.
- Phase 1 implementation to begin March 2005; pilot projects by mid-2005
- Phase 2 design to be completed, and Phase 2 implementation to begin by mid-2006.
- Phase 3 design to be completed, and Phase 3 implementation to begin by mid-2007.

C. Completion Date

All three phases of the Clearinghouse are scheduled for completion by mid-2007 pending approval and funding of all phases by the signatories.

D. Estimated Cost

Phase 1 could be implemented using existing staff. Under that approach, additional cost is estimated to be minimal. Phase 2 and Phase 3 costs will depend upon where the Clearinghouse is permanently located, the functions and services it will provide, and the type of management structure that will govern it. A preliminary cost estimate for an operational Phase 3 Clearinghouse is approximately \$250,000-350,000 a year, but could vary significantly depending upon functions and services provided.

E. Lead Responsibility

Section 373.227, F.S. assigns lead responsibility for development of the statewide conservation program, including the Clearinghouse, to the Department of Environmental Protection. The Department will coordinate closely with the JSOC Work Group, especially the Southwest Florida Water Management District, which may operate the Phase 1 Clearinghouse.

Funding the Clearinghouse

Without adequate and stable funding, the Program cannot succeed. Several options for funding were considered. All were evaluated in terms of ease of implementation, equity, and the presence of an existing administrative system to collect and distribute the funds.

The ongoing operation of the Clearinghouse is a separate cost from the initial expense of preparing the Guidance Document. Any of the options below would meet the estimated funding needs of \$250,000 to \$350,000 annually for the water conservation clearinghouse. Recommended choices are provided following the evaluation of options below.

Option 1: Statewide Drinking Water Distribution Permit Fee Increase

The Department of Environmental Protection issues these permits for the expansion of drinking water distribution systems. Between four and five thousand permits are issued annually. Fees range up to \$500.00 depending on the size of the project. A fee increase of \$50.00 to \$70.00 on 5,000 permits would raise the \$250,000 to \$350,000 estimated to be needed to operate the Clearinghouse.

Advantages: Given the cost of distribution system expansions, the fee increase would represent an insignificant additional cost. On the issue of equity, the fee increase would be appropriate since distribution system expansions contribute to the need for additional water supply. The fastest growing areas of the state where more water is needed would pay a higher proportion of the fees. Regarding administration, the DEP already has a system in place to administer the funds. That system would need to be modified to distribute the fee increase to the Clearinghouse.

Disadvantages: The funds from this source will fluctuate somewhat depending upon the number of permits issued. Also, since the funds currently go into the Permit Fee Trust Fund, a statutory change will be needed to allow their use for the Clearinghouse. The DEP rule governing the program would also have to be amended.

Option 2: Clearinghouse Subscription Fees

Currently, there are about 2,000 public water supply utilities in Florida subject to consumptive use permitting requirements. It would take 100 of those utilities paying an annual subscription fee of \$2,500 to \$3,500 to fund the Clearinghouse. Since such a fee would be a very minor fraction of the cost of operating a public water supply system, there was no evaluation of prorating subscription rates based on the annual pumpage of the utilities.

Advantages: The fee represents a relatively minor cost to the subscribing utilities.

Disadvantages: By requiring a subscription, the Clearinghouse would not be available to many who would benefit from its services, thus diminishing its value in promoting and improving water conservation. There is currently no administrative system in place to collect and administer the funds. There would be little incentive to subscribe except when seeking a permit. The funding level would likely vary widely year to year. It would not fulfill the intent of section 373.227, F.S. for establishing a statewide Clearinghouse.

Option 3a: Increased Fee for Renewing a Consumptive Use Permit

The Clearinghouse could be funded by charging utilities a user fee in the years that they renew their consumptive use permits. If 50 utilities renewed their permits each year, a fee of \$5,000 to \$7,000 would be required to generate the funds needed for the Clearinghouse. Fees could be reduced if more utilities used the services of the Clearinghouse, or if other users, such as consultants, use the service.

Advantage: Utilities needing the service would pay for it only at the time they needed it.

Disadvantages: There is no system in place to administer the funds. The Clearinghouse might only be used by a small number of utilities, making funding uncertain from year to year. The Clearinghouse would only be available to those who pay the fee, thus reducing its value in promoting and improving water conservation statewide. It would not fulfill the intent of section 373.227, F.S. for establishing a statewide Clearinghouse.

Option 3b: Increased Fees on Consumptive Use Permit Applications

The water management districts could fund or partially fund the Clearinghouse using existing revenues. This could be generated from an increase in consumptive use permit (CUP) fees or any other source available to the water management districts. Under section 373.109, F.S., the use of CUP fees is limited to recovering costs for processing, monitoring, and inspecting for compliance. Since the purpose of the Clearinghouse is to aid in the processing and monitoring of the water conservation element of public water supply CUPs, there may be a legal issue about whether funding it with CUP fees is allowable. Current revenues from CUP fees at all districts are significantly less than is required to recover their allowable costs, thereby creating the possibility of raising fees to fund the Clearinghouse. A flat rate could be used, or fees could be proportional to the quantity of water withdrawn and the duration of the permit (so much per million gallons a day of pumpage, multiplied by the duration in years).

Advantages: The WMDs have a system in place to administer the funds. The fee structure, if based on quantity pumped, would be equitable among those paying.

Disadvantages: Some Governing Boards have studied the issue of raising CUP fees to recoup a larger percentage of their costs and determined not to do so. There has been, in some cases, substantial opposition to any increase in permit fees. It may be difficult for the Districts to raise fees to support the Clearinghouse. The system would not be equitable for all permit holders, since many have long-term permits and would not pay for many years. Funding would fluctuate from year to year based on how many permits were issued and for what quantities. This option would require rulemaking at all WMDs.

Option 3c: Annual Fee on Consumptive Use Permits for Public Supply Utilities

This option would add an annual fee to all public supply CUPs. The fee could be based on the size of the utility, amount of water withdrawn, or some other factor to ensure equity.

Advantages: The WMDs have a system in place to collect permit application fees, although it would require substantial revision to become a system for collecting fees annually. The fee system could be designed in a way to make it equitable among permit holders.

Disadvantages: It will require legislation to allow funds from the Permit Fee Trust Fund to be used for the Clearinghouse, and WMD rule changes to address collection and distribution of the fees. The fee would be a new charge on holders of existing consumptive use permits. As with options 3a and 3b, there may be substantial opposition a fee being added to existing CUP fees.

Option 4a: Direct Funding Annually as Line Items by the Water Management Districts

Under this option, the Districts would fund the Clearinghouse through an annual appropriation. The system to administer the funds is in place; it would simply be an additional budget item. Each District’s share could be based on the percentage of the state population within the District. Based on population, the allocation among the water management districts would be as follows to total \$350,000:

Water Management District Population	% of State Population	Proportionate Share of Funding
SFWMD - 6.0 million	40	\$140,000
SWFWMD - 4.0 million	27	94,500
SJRWMD - 3.5 million	23	80,500
NFWWMD - 1.1 million	7	24,500
SRWMD - .3 million	2	7,000
Total	100	\$350,000

Advantages: The Clearinghouse could be funded through the Districts’ existing water conservation programs. It would be equitable, since the areas of highest water use would contribute the most funding.

Disadvantages: Without some binding agreement among the Districts, funding could be uncertain from year to year.

Option 4b: Legislature Requires Water Management Districts to Fund the Program

Under this option, the legislature would direct the Districts to pay a specified amount to fund the Clearinghouse. The funds could come from appropriate existing trust funds.

Advantages: Annual funding is ensured. The administrative system is in place to annually appropriate the funds. Equity could be ensured if each District’s share were based on population.

Disadvantages: The funds devoted to the Clearinghouse would become unavailable for other purposes.

Option 5: Legislature Appropriates Funds Annually

Under this option, the legislature would appropriate funds each year (presumably within the FDEP budget) to operate the Clearinghouse. The funds could come from sources such as general revenues or from trust funds. (It should be noted that it would also be possible to use a state appropriation to fund the preparation of the Guidance Document, or commence the Clearinghouse, then switch to some other source for continued operation of the Clearinghouse.)

Advantages: This would be consistent with the Legislature's direction in section 373.227, F.S. to set up the Clearinghouse. No funds would have to be diverted from other existing purposes.

Disadvantages: It may be difficult to secure the appropriation. Depending upon annual appropriations could lead to instability in the necessary continued operation of the Clearinghouse.

Recommended Options

Several of the options, either individually or in combination, appear to be equitable and feasible:

Option 1: Statewide Drinking Water Distribution Permit Fee Increase

Option 4a: Direct Funding Annually as Line Items by the Water Management Districts

Option 4b: Legislature Requires Water Management Districts to Fund the Program

Option 5: Legislature Appropriates Funds Annually

Conceivably, the options to start the Clearinghouse could be different from those used for annual operating expenses.

Organizational Structure and Oversight

The Joint Statement of Commitment is a fully collaborative and voluntary agreement. Section 373.227 directs that the Department of Environment Protection develop the water conservation program "in cooperation with" the water management districts and other stakeholders. The bill does not specify any particular structure for achieving that cooperative approach. The Department and the other JSOC signatories believe that continuing the collaborative approach into implementation of the Work Plan is critically important for success.

The challenge is to design a collaborative process and structure that achieves several goals:

- Avoiding cumbersome structures.
- Promoting meaningful stakeholder involvement.
- Assuring accountability for results, budgets, and staff.

- Promoting institutional stability.

A structure designed generally like the following could achieve these goals:

1. Create stable funding for the Water Conservation Clearinghouse. (See the funding section of the Work Plan for recommendations on funding.)
2. Assign the overall responsibility for overseeing the Clearinghouse and directing its activities to a Steering Committee of representatives of the JSOC Signatories, with DEP as chair.
3. Encourage the Steering Committee to contract for the actual operation of the Clearinghouse. It is possible that the State University System, or other independent party, could be the operating entity. A related example of such an institute is the Florida Center for Solid and Hazardous Waste Management (<http://www.floridacenter.org/>). If a university is chosen to operate the Clearinghouse, it should structure the Clearinghouse to facilitate the participation of other universities in Florida.

Work Plan Element 3: Develop a Florida-specific water conservation Guidance Document, including a standardized process to assist public water supply utilities in the design and implementation of goal-based, utility-specific water conservation plans.

Issue Statement

A guidance document is needed to aid utilities in developing goal-based, alternative water conservation programs that will conserve water at least as effectively as traditional regulatory requirements. The guidance document should include a standard methodology for developing a utility water use profile. It should include a process for developing utility-specific conservation goals and minimum requirements based on utility size. It should define a standard process for measuring and reporting results, evaluating effectiveness, and refining the program if goals are not met. Subparagraphs 373.227(2)(g) and (h), F.S. state that the program should include a standardized conservation planning process for utilities, and a Florida-specific conservation Guidance Document to assist utilities in developing individually tailored conservation programs. Further details regarding the Guidance Document can be found in the excerpt from House Bill 293 in Appendix 2.

Plan of Action

The JSOC Work Group developed a detailed conceptual outline for the Guidance Document. It is expected that the Guidance Document itself will be developed under contract with a consultant. It will explain how the new process relates to water use permitting and reporting requirements, and also will provide step-by-step instructions on developing a utility water use profile and conservation plan. The Document should include guidance on developing utility-specific conservation goals, selecting best management practices to meet those goals, measuring and reporting results, and adjusting the program as needed to further improve conservation.

The Guidance Document will contain a minimum set of required conservation practices, based on utility size, and a menu of other practices the utility can select from to best meet the approved water conservation goals. The full conceptual outline of the Guidance Document outline is as follows:

- I. Introduction
- II. Purposes
- III. Background
 - A. Relationship of the Guidance Document to Water Use Permitting
 - B. Relationship to Pilot Projects
 - C. Reporting Information and Relationship to Water Conservation Clearinghouse
 - D. Process and Schedule of Updating Guidance Document
- IV. Definitions and Performance Measures
 - A. Standardized Definitions and Terms

- B. Standardized Performance Measures
- V. The Conservation Planning Process
- A. Water Use Profile Development
 - B. Developing a Conservation Plan
 1. Develop minimum requirements based on utility size, patterned after the guidelines developed by the USEPA for water conservation plans. (Utility categories are to be developed based on factors such as water production or customers served. Each category will include minimum BMPs that are to be included in the utility specific conservation plan.)
 2. Develop utility specific goals. (Considering its customer base and how end users consume water, each water conservation plan will develop water conservation goals based on its existing utility program and the refinement of that program and/or the addition of new elements and initiatives. Where practicable, each goal will include a quantifiable objective that can be measured utilizing the standardized measurement approaches included under this alternative approach. The utility specific program shall include the minimum requirements from above.)
 3. Select, from a menu of affordable and effective water conservation practices, those most appropriate to meet goals. (In addition to the minimum required BMPs, the utility shall select other BMPs and initiatives or refine their existing BMPs to meet the utility-specific water conservation goal or goals.)
 4. The utility-specific water conservation program must allow no reduction in, and increase where possible, utility-specific water conservation effectiveness over current programs. The utility must provide reasonable assurance that the program will achieve effective water conservation at least as well as the water conservation requirements adopted by the appropriate water management district.
 - C. Conservation Plan Implementation
 1. Measuring Results
 2. Reporting Results
 3. CUP Requirements
 4. Clearinghouse Submittal
 5. Internal Review Of Results Compared To Goals
 6. Plan Refinement
 - D. Evaluation. (Evaluation and analysis of plan implementation should occur annually within six months following completion of the previous year's effort. A report detailing each element implemented, yearly and overall goals associated with each element, status of implementation, results compared to goals, and any unanticipated delays or issues that modified the schedule, savings or saving rates of individual and cumulative programs will be completed. This report will be submitted to the water management district for approval and to the Clearinghouse for information.)
 - E. Plan Revision. If the utility program fails to meet the water conservation goal or goals by the timeframes specified in the permit, the utility shall revise the plan to address the deficiency or employ the water conservation requirements that would otherwise apply in the absence of an approved goal-based plan.

Some components of the goal-based program may need to be field-tested prior to implementing the full goal-based program. For example, there are a variety of methodologies currently in use by utilities to develop their water use profiles. To ensure consistency and comparability between utility conservation programs, the Guidance Document will recommend a single method with variations based on the size of the utility. It may be necessary to pilot the application of the methodology with volunteer utilities prior to statewide implementation. As the various components of the goal-based program are developed, the Work Group will evaluate the need for pilot projects on a case-by-case basis.

Pending the allocation of funds for the project, the contract with the consultant should be executed by mid-2005 and the Guidance Document should be completed by mid-2006. The estimated cost is approximately \$250,000-350,000. This Work Plan, as well as the more detailed reports prepared by the Guidance Document Team, can be used to develop the scope of work for the contract.

JSOC Requirements for Element 3

The Joint Statement of Commitment requires that this Work Plan include specific tasks, interim milestones, completion dates, estimates of costs, and assignment of responsibility for each Element. For Element 3 these are:

A. Specific Tasks

- Develop the content outline for the Guidance Document.
- Identify funding source(s) for developing the Guidance Document.
- Contract with a consultant to develop the Guidance Document.
- Identify program components, if any, which require pilot application prior to statewide implementation.
- Review, revise, and approve draft and final Guidance Document.

B. Interim Milestones

- Outline to be complete by December 2004.
- Develop a Request for Proposals in the first quarter of 2005.
- Obtain funding, select consultant, and execute contract by mid-2005.
- Identify pilot projects, if needed, and implement by mid-2005.
- Consultant recommendations for Guidance Document completed by mid-2006.

- Final Guidance Document completed by December 2006.

C. Completion Date

- The final Guidance Document will be completed by December 2006.

D. Estimated Cost

- The estimated cost for developing the Guidance Document is \$250,000 to \$350,000.

E. Lead Responsibility

- Section 373.227, F.S. assigns lead responsibility for the development of the Guidance Document to the Department of Environmental Protection. The Department will continue the collaborative process established by the JSOC, relying on the Work Group for input and assistance in selecting the consultant, directing the activities of the consultant, identifying any needed pilot projects, and reviewing and commenting on the draft Guidance Document.

Summary and Conclusions

This Work Plan is the product of a sustained collaborative effort by the staff representatives of the Signatories to the JSOC, as well as other interested stakeholders. It is a consensus document that achieves a balance between the sometimes-conflicting interests of the participants. The Department of Environmental Protection, assigned lead responsibility under section 373.227, F.S. for the continuation of JSOC activities, is very appreciative of the quality of thought and effort that went into the development of this Work Plan.

The Work Group believes that an effective statewide water conservation program for public supply is achievable and, if implemented, will result in significantly greater conservation of public water supplies. The Work Group further concluded that such a program cannot be implemented without adequate and stable funding.

The Water Conservation Guidance Document, the centerpiece of the program and essential to its success, will require a one-time expenditure of \$250,000 to \$350,000. The Water Conservation Clearinghouse is also essential to ensure continuous, long-term improvement in water conservation and will require recurring funding of approximately \$250,000 to \$350,000 annually.

To ensure the long-term viability of the program, the Work Group recommends a permanent revenue source, not subject to annual budget processes of the legislature, the Department, or the water management districts. The need to conserve water will only increase as the state's population grows and the ability of traditional ground water resources to meet growing demand diminishes. A modest investment in water conservation now will more than pay for itself in avoided environmental and economic costs. Conservation is and will remain the cheapest source of "new" water for public supply.

Appendix 1: Joint Statement of Commitment for the Development and Implementation of a Statewide Comprehensive Water Conservation Program for Public Water Supply

JOINT STATEMENT OF COMMITMENT FOR THE DEVELOPMENT AND IMPLEMENTATION OF A STATEWIDE COMPREHENSIVE WATER CONSERVATION PROGRAM FOR PUBLIC WATER SUPPLY

The Florida Department of Environmental Protection; the South Florida Water Management District; the St. Johns River Water Management District; the Southwest Florida Water Management District; the Northwest Florida Water Management District; the Suwannee River Water Management District; the Florida Public Service Commission; the Utility Council of the American Water Works Association, Florida Section; the Utility Council of the Florida Water Environment Association; and the Florida Rural Water Association; collectively hereinafter referred to as the SIGNATORIES, endorse the following Joint Statement of Commitment regarding the Statewide Comprehensive Water Conservation Program for Public Water Supply, herein after referred to as the PROGRAM.

Background

In 2001-2002, the SIGNATORIES to this Joint Statement, in collaboration with many other stakeholders, participated in the Florida Water Conservation Initiative. All water uses were addressed in this wide-ranging process and the participants collectively recommended many conservation tools in the April 2002 Report from the Water Conservation Initiative. It was recognized that enhanced water conservation would benefit all water uses, both economically and environmentally, as well as to ensure the sustainability of Florida's water resources.

As discussed in the Water Conservation Initiative, public water supply currently represents the second largest water use sector in Florida. Conservation is a very important demand management tool for public water supply utilities to enhance the sustainability of Florida's water resources. Many years of developing, implementing, and refining water conservation programs by public water supply utilities have created the opportunity for the next phase of effectiveness: the implementation of the Statewide Comprehensive Water Conservation Program for Public Water Supply.

WHEREAS conservation of water is an important means of achieving economical and efficient utilization of water and ensuring the sustainability of the water resources of Florida; and

WHEREAS the public water supply industry, in cooperation with the water management districts, has achieved substantial water conservation through existing programs but recognizes that meaningful improvements are still possible; and

WHEREAS social, economic, and cultural conditions vary by geographic region within the State, resulting in the need for public water supply utilities to have the flexibility to tailor conservation programs to reflect their individual circumstances; and

WHEREAS the current water use regulatory system allows flexibility in water use permitting with regard to water conservation but could be improved; and

WHEREAS a range of conservation practices are available for implementation to achieve more efficient use of water; and

WHEREAS individual utilities should be encouraged to implement water conservation practices that are economically efficient, effective, affordable, and appropriate; and

WHEREAS it is the intent of the PROGRAM to allow no reduction in utility-specific water conservation effectiveness; and

WHEREAS the PROGRAM should be goal-based, accountable, and measurable and developed and implemented collaboratively with water suppliers, water users, and water management agencies; and

WHEREAS individual water conservation programs should focus upon cost-effective measures for the unique characteristics of particular utility service areas incorporating analyses of economic efficiency of individual practices, where appropriate; and

WHEREAS it is essential to establish a centralized clearinghouse to encompass new and existing information on water conservation programs and practices to support sharing of results, identification of benchmarks and performance measures for effectiveness, and continual assessment of water conservation programs and practices; and

WHEREAS the successful development and implementation of the PROGRAM will require the allocation of financial resources.

THEREFORE, the SIGNATORIES agree that a goal-based, accountable, and measurable PROGRAM should be developed and implemented to allow public water supply utilities the flexibility to tailor cost-effective conservation programs to reflect their individual circumstances so as to achieve greater water use efficiency. Towards implementing the PROGRAM, the following should be undertaken:

A. Improve the Measurement and Evaluation of Water Conservation Programs and Practices

- Develop standardized public water supply conservation definitions and measurement practices.

- Collect public water supply information using standardized conservation definitions and measurement practices.
- Develop quantitative and qualitative performance measures in an overall system for assessing and benchmarking the effectiveness of water conservation programs and practices.
- Develop processes for evaluation of the effectiveness of utility-specific water conservation practices such as cost-benefit analyses, cost-effectiveness analyses, or other suitable methods.

B. Improve the Design and Implementation of Water Conservation Programs

- Develop a consistent approach to the design, implementation, evaluation, and adaptation of utility-specific water conservation programs. The attached flow-chart (“Utility Process for Statewide Comprehensive Water Conservation Program for Public Water Supply”) should serve as the framework for the design of that overall approach.
- Develop a minimum set of water conservation practices (scaled to utility size) to be implemented by all utilities.
- Develop and maintain a Florida-specific water conservation guidance document, as a part of the overall PROGRAM, to support the design and implementation of utility-specific water conservation programs.

C. Ensure Regulatory Frameworks Adequately Support Flexibility in the Design of Water Conservation Programs

- Collaboratively develop a consistent regulatory process to implement the PROGRAM.
- Collaboratively develop utility-specific water conservation goals, and require utilities to be accountable for achieving those goals.
- Provide regulatory flexibility in the selection of water conservation practices for each particular water supply utility by focusing on the effectiveness of the utility’s water conservation program.

D. Enhance Assistance and Information Sharing Regarding Water Conservation Programs

- Establish a water conservation clearinghouse to include an accessible, integrated database for information collection, evaluation of conservation effectiveness, and distribution of qualitative and quantitative information on water conservation programs and practices.

- Utilize the clearinghouse as a resource to assist in the development and implementation of water conservation programs and practices.
- Identify other forms of assistance the public water supply utilities need to assess and select appropriate water conservation practices.
- Explore opportunities for research to support refinement of water conservation practices and development of utility-specific programs.

The SIGNATORIES agree that collaboration is essential for the achievement of the above goals. The SIGNATORIES further agree to undertake the following two-step process:

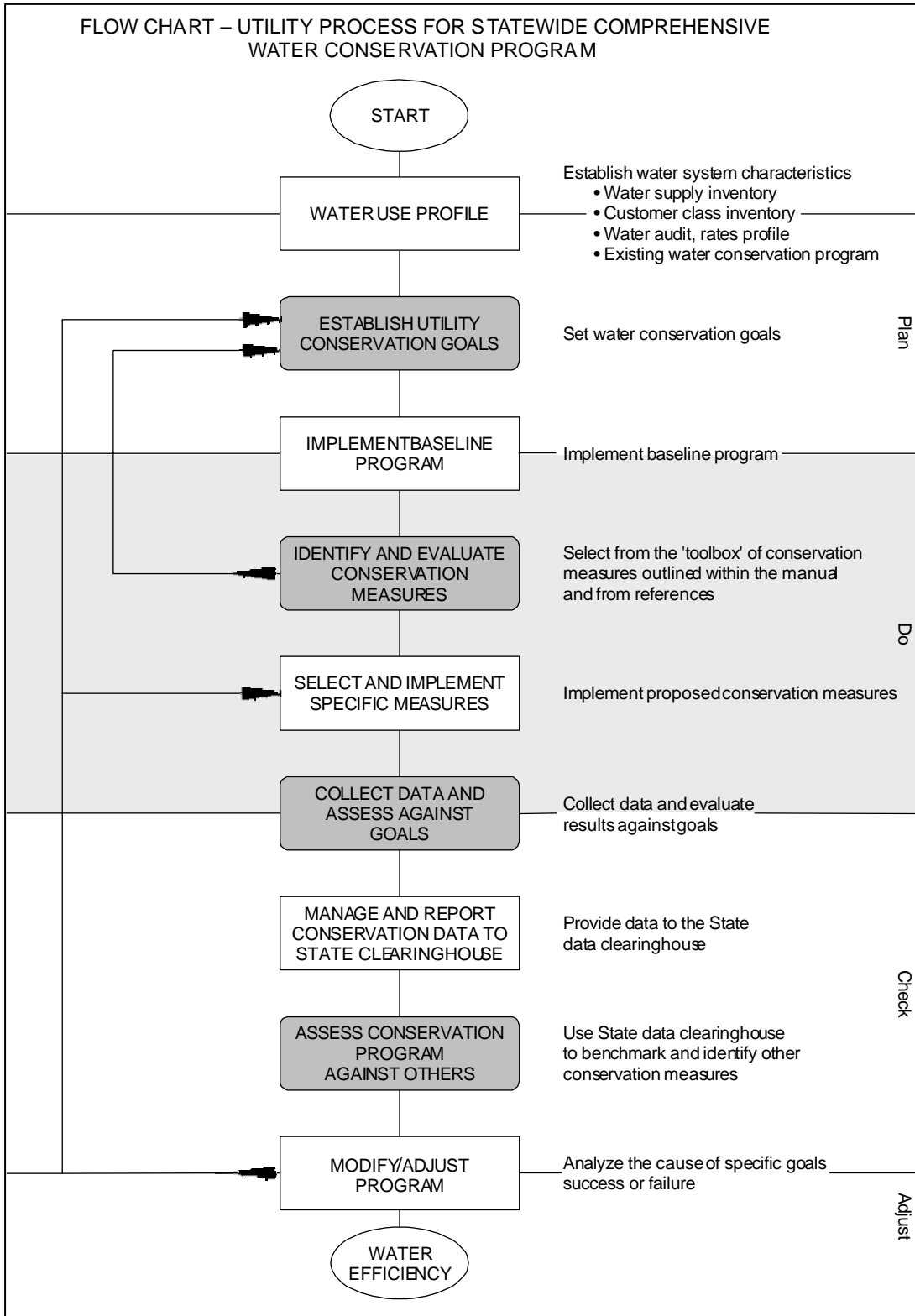
Step 1. Within twelve (12) months of the execution of this Statement, a Work Plan will be developed with specific tasks, interim milestones, completion dates, estimates of costs for each task, and assignment of responsibilities to:

- a. Develop standardized definitions and performance measures for water conservation data collection and analysis.
- b. Establish a clearinghouse for water conservation programs and practices that will provide:
 - An integrated statewide database for the collection, evaluation, and dissemination of quantitative and qualitative information on water conservation programs and practices and their effectiveness.
 - Technical assistance capabilities to aid in the design, refinement, and implementation of water conservation programs and practices.
 - Continual assessment of the effectiveness of water conservation programs and practices.
- c. Develop and implement a standardized process for utilities consistent with the attached flowchart titled “Utility Process for Statewide Comprehensive Water Conservation Program for Public Water Supply”.
- d. Develop and maintain a Florida-specific water conservation guidance document to assist public water suppliers in the design and implementation of a utility-specific water conservation program incorporating the standardized process specified above.
- e. Implement pilot applications of various elements of, or the entire PROGRAM, through cooperative agreements with volunteer utilities.

Step 2. The signatories will consider and approve for implementation as appropriate the elements of the Work Plan.

It is recognized that the final Work Plan, which will include more specific detail than the outline above, may deviate from that outline, but will continue to represent the overall intent of the Signatories to pursue greater efficiency in public water supply use as indicated in this Statement. Towards that end, the ongoing collaborative efforts to develop and implement the PROGRAM should move forward as rapidly as feasible.

FLOW CHART – UTILITY PROCESS FOR STATEWIDE COMPREHENSIVE WATER CONSERVATION PROGRAM



START

WATER USE PROFILE

- Establish water system characteristics
 - Water supply inventory
 - Customer class inventory
 - Water audit, rates profile
 - Existing water conservation program

ESTABLISH UTILITY CONSERVATION GOALS

Set water conservation goals

Plan

IMPLEMENT BASELINE PROGRAM

Implement baseline program

IDENTIFY AND EVALUATE CONSERVATION MEASURES

Select from the 'toolbox' of conservation measures outlined within the manual and from references

Do

SELECT AND IMPLEMENT SPECIFIC MEASURES

Implement proposed conservation measures

COLLECT DATA AND ASSESS AGAINST GOALS

Collect data and evaluate results against goals

MANAGE AND REPORT CONSERVATION DATA TO STATE CLEARINGHOUSE

Provide data to the State data clearinghouse

Check

ASSESS CONSERVATION PROGRAM AGAINST OTHERS

Use State data clearinghouse to benchmark and identify other conservation measures

MODIFY/ADJUST PROGRAM

Analyze the cause of specific goals success or failure

Adjust

WATER EFFICIENCY

SIGNATORIES

David B. Strubbs Secretary November 18, 2003
 (Name) (Title) (Date)
 Florida Department of Environment Protection

Hal J. [Signature] Chairman December 8, 2003
 (Name) (Title) (Date)
 Florida Public Service Commission

Gary Williams Executive Director 12/8/03
 (Name) (Title) (Date)
 Florida Rural Water Association

Alan Yancy Chairman 12/19/2003
 (Name) (Title) (Date)
 Florida Section of the American Water Works Association

Quentin J. [Signature] President of United [Signature] 12/19/03
 (Name) (Title) (Date)
 Florida Water Environment Association

[Signature] Executive Director 02/09/04
 (Name) (Title) (Date)
 Northwest Florida Water Management District

Out [Signature] Chairman 07/15/04
 (Name) (Title) (Date)
 St. Johns River Water Management District

[Signature] Chairman 12/16/03
 (Name) (Title) (Date)
 South Florida Water Management District

Thomas [Signature] Chairman 12/16/03
 (Name) (Title) (Date)
 Southwest Florida Water Management District

William [Signature] Chairman 2/02/04
 (Name) (Title) (Date)
 Suwannee River Water Management District

Appendix 2: Excerpt from House Bill 293

Section 8. Section 373.227, Florida Statutes, is created to read:

373.227 Water conservation; legislative findings; legislative intent; objectives; comprehensive statewide water conservation program requirements.--

(1) The Legislature recognizes that the proper conservation of water is an important means of achieving the economical and efficient utilization of water necessary, in part, to constitute a reasonable-beneficial use. The overall water conservation goal of the state is to prevent and reduce wasteful, uneconomical, impractical, or unreasonable use of water resources. The Legislature finds that the social, economic, and cultural conditions of the state relating to the use of public water supply vary by service area and that public water supply utilities must have the flexibility to tailor water conservation measures to best suit their individual circumstances. The Legislature encourages the use of efficient, effective, and affordable water conservation measures. Where water is provided by a public water supply utility, the Legislature intends that a variety of conservation measures be made available and used to encourage efficient water use. To achieve these conservation objectives, the state should emphasize goal-based, accountable, tailored, and measurable water conservation programs for public water supply. For purposes of this section, the term "public water supply utility" includes both publicly owned and privately owned public water supply utilities that sell potable water on a retail basis to end users.

(2) To implement the findings in subsection (1), the department, in cooperation with the water management districts and other stakeholders, shall develop a comprehensive statewide water conservation program for public water supply. The program should:

- (a) Encourage utilities to implement water conservation programs that are economically efficient, effective, affordable, and appropriate;
- (b) Allow no reduction in, and increase where possible, utility-specific water conservation effectiveness over current programs;
- (c) Be goal-based, accountable, measurable, and implemented collaboratively with water suppliers, water users, and water management agencies;
- (d) Include cost and benefit data on individual water conservation practices to assist in tailoring practices to be effective for the unique characteristics of particular utility service areas, focusing upon cost-effective measures;
- (e) Use standardized public water supply conservation definitions and standardized quantitative and qualitative performance measures for an overall system of assessing and benchmarking the effectiveness of water conservation programs and practices;
- (f) Create a clearinghouse or inventory for water conservation programs and practices available to public water supply utilities which will provide an integrated statewide database for the collection, evaluation, and dissemination of quantitative and qualitative information on public water supply conservation programs and practices and their effectiveness. The clearinghouse or inventory should have technical assistance capabilities to aid in the design, refinement, and implementation of water conservation programs and practices. The clearinghouse or inventory shall also provide for continual assessment of the effectiveness of water conservation programs and practices;
- (g) Develop a standardized water conservation planning process for utilities; and

(h) Develop and maintain a Florida-specific water conservation guidance document containing a menu of affordable and effective water conservation practices to assist public water supply utilities in the design and implementation of goal-based, utility-specific water conservation plans tailored for their individual service areas as provided in subsection

(3) Regarding the use of water conservation or drought rate structures as a conservation practice, a water management district shall afford a public water supply utility wide latitude in selecting a rate structure and shall limit its review to whether the utility has provided reasonable assurance that the rate structure contains a schedule of rates designed to promote efficient use of water by providing economic incentives. A water management district shall not fix or revise rates.

(4) As part of an application for a consumptive use permit, a public water supply utility may propose a goal-based water conservation plan that is tailored to its individual circumstances. Progress towards goals must be measurable. If the utility provides reasonable assurance that the plan will achieve effective water conservation at least as well as the water conservation requirements adopted by the appropriate water management district and is otherwise consistent with s. 373.223, the district must approve the plan which shall satisfy water conservation requirements imposed as a condition of obtaining a consumptive use permit. The conservation measures included in an approved goal-based water conservation plan may be reviewed periodically and updated as needed to ensure efficient water use for the duration of the permit. If the plan fails to meet the water conservation goal or goals by the timeframes specified in the permit, the public water supply utility shall revise the plan to address the deficiency or employ the water conservation requirements that would otherwise apply in the absence of an approved goal-based plan.

(5) By December 1, 2005, the department shall submit a written report to the President of the Senate, the Speaker of the House of Representatives, and the appropriate substantive committees of the Senate and the House of Representatives on the progress made in implementing the comprehensive statewide water conservation program for public water supply required by this section. The report must include any statutory changes and funding requests necessary for the continued development and implementation of the program.

(6) The department or a water management district may adopt rules pursuant to ss. 120.536(1) and 120.54 to carry out the purposes of this section.