





BACKGROUND

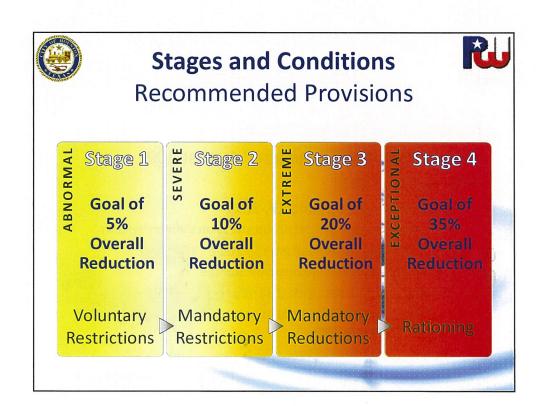
- State of Texas requirements
- Current Ordinance enacted August 2001
- Drought of 2011
 - Stage 1 declared June 17, 2011
 - Based on lack of rainfall and stress on delivery system
 - Stage 2 declared August 15, 2011
 - Based on combined reservoir storage
 - Stage 2 and 1 rescinded January 11, 2012
 - Based on replenishment of storage and repaired condition of delivery system

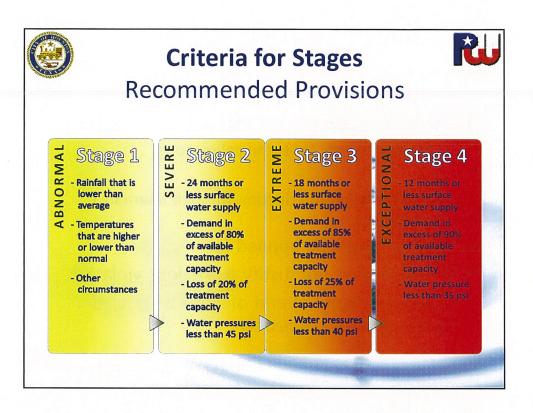


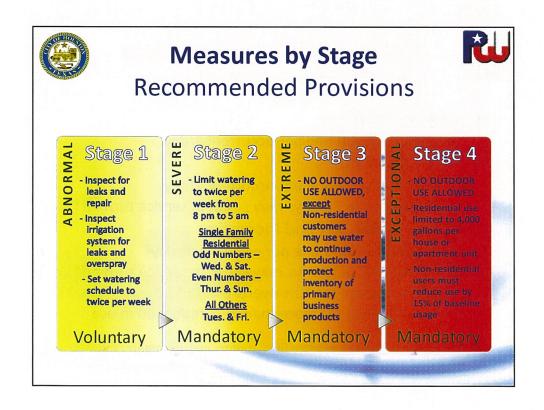


Objectives

- Improve stages as management framework
- · Clarify criteria for stages
- Establish measurable goals for reductions within each Stage
 - Decrease system peaking due to irrigation restrictions
 - Establish rationing to reduce use across all customer types
- Clarify steps to declare, progress and rescind stages
- Clarify violations, enforcement and affirmative defenses









Variances



Recommended Provisions

- Variances only granted for:
 - Cannot comply for technical reasons

or

- Achievement of reduction through alternative methods
- Variance must be applied for
- Variance does not justify a previous violation
- Variances expire at end of water shortage period and do not renew



Enforcement and Penalties Recommended Provisions



- Stage 2 Violations
- \$100 to \$2,000 fine per occurrence/day
- Stage 3 Violations
 - \$500 to \$2,000 fine per occurrence/day
 - 3 violations in 30-days may result in service turn off*
- Stage 4 Violations and Incentives
 - \$1,000 to \$2,000 fine per occurrence/day
 - 3 violations in 30-days may result in service turn off*
 - 20% surcharge for 10% overuse
 - 10% incentive for more than 20% reduction in use

^{*}Reconnection requires payment of fines, charges and acceptance of higher per gallon rate for 12 months





Moving Forward

- 6/8 draft Ordinance posted to website
 - Linked from City's main web page and directly linked at: http://pweapps.houstontx.gov/Chapter47
- 6/12 presentation to Transportation,
 Technology and Infrastructure Committee
- 6/18 presentation to SN Alliance
- 6/21 (net) end of public input period
- 6/27 (net) Council consideration





Summary of Improvements

- Consistency of definitions
- Progressive response stages
- Strengthened enforcement tools
- Established priority for reduction in use
 - Outdoor Use is first (non-essential)
 - Indoor/production uses not impacted until Stage 4
- Better provides for contract customer reductions at Stage 3

