

RULES AND REGULATIONS NO.17
DROUGHT AND WATER EMERGENCY MANAGEMENT RESPONSE RULE

PURSUANT TO THE AUTHORITY VESTED IN THE EL PASO WATER UTILITIES PUBLIC SERVICE BOARD, TRUSTEES, UNDER TEXAS GOVERNMENT CODE SECTION 1502.070, CITY ORDINANCE 752, PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF EL PASO, TEXAS MAY 22, 1952, 30 TEXAS ADMINISTRATIVE CODE SECTION 288.20, DROUGHT CONTINGENCY AND CHAPTER 15.13 WATER CONSERVATION OF THE EL PASO MUNICIPAL CODE; BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF THE CITY OF EL PASO, THAT THE FOLLOWING RULE AND REGULATION NO. 17 CONCERNING A DROUGHT AND WATER EMERGENCY MANAGEMENT RESPONSE RULE IS ESTABLISHED AND EFFECTIVE.

SECTION I GENERAL

The Drought and Water Emergency Management Response Rule for the City of El Paso and the El Paso area served by the El Paso Water Utilities Public Service Board (Public Service Board) is an integral part of the overall Water Resources Management Plan for the El Paso area in compliance with State and Local law. The City of El Paso, El Paso Municipal Code Section 15.12.010, sets out that the Public Service Board is authorized to promulgate Rules and Regulations on all subjects relevant to the operation of the City's water and sewer systems, which Rules and Regulations shall have like effect as if adopted by ordinance.

Drought is a naturally occurring climate condition in the West and has occurred in varying severity numerous times and will occur again. The purpose of Rules and Regulations No. 17 is to provide a management framework for dealing with severe drought. In addition, these Rules and Regulations will be used to manage temporary or sudden water emergencies which result in temporary loss or reduction in water or wastewater service due to other non-climate-related factors or conditions.

As El Paso becomes more dependent on the Rio Grande River as a renewable water source, it becomes more vulnerable to long-term, drought-induced water shortages. In the event surface water deliveries to water treatment plants are curtailed, water deliveries to customers may be required to be curtailed. Rules and Regulations No. 17 have as one of its major purposes to provide an equitable management framework to deal with curtailed water deliveries.

The Drought and Water Emergency Management Response Rule is triggered as the result of reductions in surface water allotment from the Rio Grande Federal Reclamation Project or as a result of the inability to satisfy system water demands for any other reason. The Rule sets out response Stages based on allotment of surface water or when demand for water is projected by the Public Service Board to exceed supply. Each Stage is associated with a menu of possible response measures. Each successive Stage being from Stage I to Stage III represents a response to an increasingly severe condition and includes an increasingly stringent list of response measures.

Although the President/CEO of El Paso Water Utilities (EPWU) may ask at any time he or she deems necessary for a voluntary reduction in water consumption by customers, the Drought and Water Emergency Response Rule is intended to provide a structured framework of responses in Stages that is available and noticed to the public in advance of the need to implement such emergency measures.

SECTION II PURPOSE

The purpose of this Drought and Water Emergency Response Rule is:

1. To provide for measured, contingency plans to manage a drought or water emergency.

2. To continue to deliver to the maximum extent possible during a drought or water emergency a cost-effective, adequate, safe and reliable supply of high quality water to the customers.
3. To identify successful public information strategies which will inform and motivate the community to reduce normal water consumption to drought allowances.
4. To evaluate water emergency and drought management practices in various similar sized cities around the United States and recommend the best practices use in El Paso.
5. To identify critical points of change which would result in an acute or long-term water outage in the service area and to establish preemptive measures to address such conditions.
6. To recommend a programmed response for each Stage which would most effectively reduce water consumption to the available supply level with the least adverse impact to El Paso Water Utilities customers.
7. To comply with local, state and federal laws for drought or water emergency contingencies.

SECTION III PUBLIC SERVICE BOARD WATER RESOURCES MANAGEMENT

Since the beginning of the 20th Century, El Paso County has relied on both surface water and groundwater wells for its municipal water supply. Currently, El Paso Water Utilities supplies approximately 90% of all water used for municipal purposes in El Paso County. Surface water is supplied from the Rio Grande Federal Reclamation Project. The Rio Grande River flows that are diverted to El Paso are primarily derived from snowmelt runoff in southern Colorado and northern New Mexico. Historically, there are also occasional flood surges associated with major storms during the summer monsoon season. Spring runoff is stored in the Elephant Butte Reservoir in southern New Mexico before releases by the Federal Bureau of Reclamation are made for irrigation and municipal uses in southern New Mexico and the El Paso area.

EPWU is a customer of the local irrigation district (El Paso County Water Improvement District No. 1) and obtains water based on its ownership of water rights land in the Rio Grande Federal Reclamation Project area and the leasing of water rights from agricultural irrigation water rights holders in El Paso County.

EPWU surface water treatment plants have a combined capacity of 100 million gallons per day. Under normal river flow conditions, the plants operate seven months during the year, i.e., during the programmed irrigation season. Currently, El Paso has water rights of about 70,000 acre feet per year from the Rio Grande Federal Reclamation Water Project.

Groundwater supplies are pumped by wells from the Mesilla Bolson and the Hueco Bolson. The Mesilla Bolson is an underground water aquifer located in the Canutillo area and is used to provide water for the western part of El Paso. The Hueco Bolson is an underground water aquifer located on the eastern side of the Franklin Mountains and is used as a primary water supply for northeast and east El Paso. Both aquifers are regional in their extent and underlie portions of New Mexico, Texas and Chihuahua, Mexico.

El Paso Water Utilities conjunctively uses surface water and groundwater to meet water demands. Based on a full Rio Grande River allotment, use of surface water will be maximized and pumping from the Hueco Bolson is minimized. Conversely, during times of protracted drought with resulting low Rio Grande River allotment, pumping from the Hueco Bolson must be maximized. This includes maximizing the use of the Kay Bailey Hutchison Desalination Plant. During a severe drought, pumping from the Mesilla Bolson will also increase.

Conjunctive use management of surface water and groundwater resources recognizes that there are limits to surface water supplies and limits to groundwater supplies. The management of local groundwater use requires

the recognition of limits with respect to the ability of local groundwater basins to supply water readily over the long term, measured in decades.

As the Regional Water Supply Planner, El Paso Water Utilities is a member of the Far West Texas Regional Water Planning Group. As a member of this group and as required by State law, EPWU prepares and updates a 50-year water plan. The plans from the various regions of the State provide an evaluation and projection of current and future populations, water demands, water supply sources, water management strategies and costs. Planning and implementation of future water supply projects will allow the City to meet future water demands. However, such projects will not negate the need for the City to reduce its water usage over time and, in some instances, mandate certain drought contingencies during times of severe drought or water emergencies.

In addition to water supply projects, it may be necessary from time-to-time for EPWU to seek variances from the Texas Commission on Environmental Quality (TCEQ) to utilize groundwater supplies that, while still potable, may not meet maximum contaminant levels for sulfate, chloride, iron, manganese or other total dissolved solids. Such measures will utilize groundwater of secondary drinking water standards, which, although the water will be safe to drink, it may not be as palatable as customers are used to.

SECTION IV NOTIFICATION, INITIATION AND TERMINATION OF DROUGHT AND WATER EMERGENCY ACTION OR STAGES

At the request of the President/CEO of El Paso Water Utilities and based on his or her assessment of the situation, the Mayor may declare a drought or water emergency in the event of any condition that significantly interrupts the ability of the Public Service Board to supply water to its customers. Initially, actions based on this declaration may include any measure the President/CEO deems necessary to respond to the drought or water emergency, to include any part of the drought and water emergency stages listed herein.

The President/CEO will be responsible for notifying the Director of the Texas Commission on Environmental Quality within five (5) days following the implementation of any mandatory water use restriction. In the event that the drought or water emergency is expected to continue for more than five (5) days, the President/CEO shall make a report to the Chair of the Public Service Board and the Mayor setting out the nature and expected severity of the drought or water emergency. The Mayor shall call a City Council meeting to have the City Council adopt the continuing use of the Rule.

During the period of time covered by the drought or water emergency, the President/CEO will implement and direct such measures as he or she may deem necessary to be taken as set forth herein to include, but not by way of limitation, the implementation of the set out Stages. Such other measures may be implemented as the President/CEO may deem necessary or appropriate to respond to the drought or water emergency to bring the emergency to a close with the minimum loss of property and due consideration for the public health and safety. The Public Service Board shall be responsible to see that all public notification and outreach education measures and activities related to the drought or water emergency and such restrictions and Stages as have been implemented shall be taken.

In a declared drought or water emergency, any combination of management response options may be used system-wide or in any section of the region as circumstances may require in the judgment of the President/CEO. Any of the measures provided for in this Rule shall be implemented conditioned that they will not adversely affect public safety, hospitals or sanitary uses.

The Public Service Board through the President/CEO will monitor the drought or water emergency and promptly recommend that the President/CEO request the Mayor declare the drought or water emergency to be concluded.

The termination of the declaration of a drought or water emergency lasting more than five (5) days shall be by the City Council resolution after receiving and reviewing a report from the President/CEO of El Paso Water Utilities.

SECTION V DROUGHT AND WATER EMERGENCY RESPONSE MANAGEMENT RULE STAGES

A. STAGE I

When El Paso County Water Improvement District No. 1 declares a surface water allotment that is less than 0.5 acre foot per acre on or before April 1 of any year, or water demand is projected to exceed available capacity as determined by El Paso Water Utilities, Stage I. will be implemented as follows:

EPWU will ask customers for a voluntary reduction in water usage and do the following:

1. Request customers to reach a voluntary reduced water use goal of 25% in indoor and outdoor use.
2. Increase public education and outreach regarding water use reduction.
3. Request all restaurants to voluntarily discontinue serving water except upon customer request.
4. Urge hotels and motels to implement water conservation measures, including the reduction of laundry water usage.
5. Request manufacturing industries using water provided by EPWU to reduce their consumption by 25%.
6. Request all other water purveyors to comply voluntarily with all drought management response measures as set forth by EPWU. However, if such have contracts, wholesale or retail, with EPWU and if such contracts have drought and water emergency provisions, they are exempt from this Stage.
7. The President/CEO shall authorize additional personnel to issue citations for violations of the Water Conservation Ordinance and the Drought and Water Emergency Response Rule, consistent with local, state and federal law.

B. STAGE II

When El Paso County Water Improvement District No. 1 declares a surface water allotment of less than 1.0 acre foot per acre after April 1 but before May 1 of any year, or there is not enough continuous release of surface water, or water demand is projected by EPWU to exceed available capacity Stage II will be implemented as follows:

All Stage I options remain in effect. Additionally:

1. Outdoor watering by commercial or residential customers will be limited to once per week in accordance with the following schedule: Watering will be permitted before 9:00 a.m. and after 7:00 p.m. for no more than two hours each day. The last number of the street address will determine the watering days for each customer based on the following schedule:

Day of the Week	Mon	Tue	Wed	Thurs	Fri	Sat	Sun
Last # of Address	No Watering	0	1,3	2,4	5	6,8	7,9

(Outdoor watering performed with a reclaimed water system is exempt. Using a bucket to water trees, shrubs and flowers is permitted. Use of household grey water is encouraged.)

2. Parks and schools served by EPWU shall water in accordance with a special permit issued by EPWU and shall reduce water consumption by a specific amount per month based on reduction targets as set by EPWU to meet basic demands. (Parks and schools irrigating with reclaimed

water are exempt.)

3. Private and municipal golf courses irrigating with potable water supplied by EPWU shall water in accordance with a special permit issued by EPWU and will reduce consumption by a specific amount per month based on reduction targets set by EPWU to meet basic demands. (Golf courses irrigating with reclaimed water are exempt.)
4. Plant, grass or tree nurseries shall water plant stock in accordance with the special permit issued by EPWU.
5. No new landscaping shall be installed or planted in the City and no new landscape watering permits will be issued except for Xeriscapes that are irrigated with reclaimed water or brackish groundwater. New landscaping watering permits shall be granted for a 7-day period for landscaping that incorporates compost in the area at the rate of 5 cubic yards per 1,000 square feet of turf.
6. All evaporative coolers that require a bleed-off system must have a restricted bleed-off line or an automatic drainage system.
7. All Water Conservation Ordinance variances are automatically suspended and no new variances will be issued.
8. Routine fire hydrant flushing and testing shall cease.
9. Existing swimming pools cannot be drained and filled with potable water supplied by EPWU after May 1. Single-family residential swimming pools must be covered when not in use.
10. Upon the second violation of any part of the Drought and Water Emergency Management Response Rule, the President/CEO may order the installation of a restriction device or downsizing of the water line or water meter at the customer's cost.
11. Restaurants shall only serve water upon request.
12. Water misters shall not be operated except by special permit for health and safety reasons.
13. Water can be used for aesthetic purposes, such as ornamental fountains, in accordance with a special permit issued by EPWU.
14. Impervious surface cleaning with potable water shall be prohibited, except where conducted by order of the City Department of Public Health, Police or Fire Department.
15. Hotels and motels must implement water conservation measures, including the reduction of laundry water usage.
16. Apartment complexes and large turf water users shall water in accordance with a special permit issued by EPWU and will reduce water consumption based on reduction targets as set by EPWU.

C. STAGE III

When El Paso County Water Improvement District No. 1 declares a surface water allotment of less than 1.5 acre foot per acre after May 1 but before May 15 of any year, or there is not a continuous release of surface water, or water demand is projected by EPWU to exceed available capacity, Stage III will be implemented as follows:

All Stage I and Stage II drought management response options shall remain in effect. Additionally:

1. All outdoor watering is prohibited, except when performed with a bucket or where reclaimed water or brackish groundwater is used.
2. The irrigation of golf courses with potable water supplied by EPWU is prohibited.

3. All car, trailer, truck or boat washing is prohibited, except in facilities certified by EPWU and displaying approved signage.
4. No swimming pools shall be filled.
5. All water use for construction, dust control and/or compaction is prohibited, except with reclaimed or brackish groundwater.
6. New water meters shall be approved for connection to the water system only as required for military expansion or use and/or high priority economic development projects, as determined by President/CEO and the Public Service Board in consultation with the Mayor and City Manager.
7. All street sweeping shall be discontinued, except that performed with reclaimed or brackish groundwater.

SECTION VI VARIANCES

Customer-specific variances may be granted in cases of hardship or special conditions. After recommendation by the Water Conservation Manager, an EPWU review board will consider a hardship or special conditions case to determine whether a particular circumstance warrants a variance. A variance shall be granted only for reasons of severe economic hardship, medical hardship or for a legitimate public health concern. A fee of \$50.00 shall be assessed per application to defray administrative costs. The fee may be waived by the review board upon the execution of an affidavit that the applicant for the variance is unable to pay any fee or is indigent.

SECTION VII WHOLESALE WATER CUSTOMERS

In accordance with Texas Water Code Section 11.039, when necessary as determined by the EPWU, water deliveries to wholesale water customers shall be curtailed on a pro-rata basis. Every wholesale water contract entered into or renewed after adoption of this Rule, including contract extensions, shall include a provision that in the case of a drought or water emergency declaration, water to be distributed shall be divided in accordance with Texas Water Code Section 11.039.

SECTION VIII ENFORCEMENT

Any person violating any provision of this Rule and Regulation No. 17 shall be deemed guilty of a misdemeanor and upon conviction shall be punished by a fine as prescribed in Section 15.13.080 of the El Paso City Code.

SECTION IX DEFINITIONS

All words shall have their usual meaning unless otherwise provided for herein.

Acre-Feet or Acre-Foot:

The amount of water required to cover an acre of land to a depth of one foot and equivalent to 325,850 gallons of water.

Aesthetic Use:

The use of water for fountains, waterfalls, golf course water hazards, and landscape lakes or ponds where such use is predominately ornamental and serves no other purpose.

Automatic Drainage System:

An electric water pump driven system that periodically (every 6, 8 or 12 hours) pumps all water from an air-conditioner tank, thereby allowing the tank to be replenished with fresh water.

Available Capacity:

The projected firm capacity of the EPWU system to deliver water based on the number of wells in service,

water treatment plant production capacity and available river supplies and/or allotments, in-service booster pumping capacity impacted by equipment outages and/or other factors. The capacity is usually expressed in available million gallons per day and shall be as stated or expressed by the EPWU Water Systems Division Manager.

Bucket:

A container which holds no more than five gallons to be used singly by one person.

Existing Landscaping Plant:

A landscaping plant existing in an area after such period of time as to accomplish an establishment and maintenance of plant growth.

Greywater:

Wastewater that has not been contaminated by fecal material; examples of such include wastewater from lavatories, bathtubs, showers and other plumbing fixtures.

Impervious Surface Area:

Any structure, street, driveway, sidewalk, patio or other surface area covered with brick, asphalt paving, tile or other impervious or nonporous material.

Landscaping Plant:

Any member of the horticultural kingdom Plantae, including any tree, shrub, vine, herb, flower, succulent, ground cover or grass species that grows or has been planted outdoors for such purpose.

Landscape Watering:

The application of water to landscape trees, shrubs, plants or grass to promote the health and/or growth of existing landscape plants.

New Landscape Plant:

Any landscaping plant, shrub or tree which has been planted in or transplanted to an area after a Drought or Water Emergency has been declared.

Restriction Device:

A pipe or valve which has an orifice designed to restrict the flow of water from a water supply line through a water meter serving a customer.

Swimming Pool:

Any structure, basin, chamber, tank or large tub, including hot tubs, containing water for swimming purposes, diving or recreational bathing and having a depth of two feet or more at any point.

Water Emergency:

A water system failure due to weather, electrical or mechanical failure, contamination of source, extremely low river water allotment, or act of God or force majeure.

Xeriscape:

A landscape design concept that uses the implementation of drought-tolerant plant material or trees, efficient irrigation utilizing drip or subsurface irrigation, limited turf area with adequate soil depth, mulching of all plant beds and proper maintenance.

SECTION X APPEALS

The Property Owner or applicant for a new development has the right of appeal Pursuant to the El Paso Water Utilities Public Service Board Rules and Regulations No. 8 of any adverse determination.

SECTION XI SEVERABILITY

If any provision, paragraph, word or section of this Rules and Regulations No. 17 is invalidated by a court of competent jurisdiction, the remaining provisions, paragraphs, words or sections shall remain in full force and effect and shall be read or interpreted so as to give effect to the purpose of this Rules and Regulations as set forth in Section II.

SECTION XII SAVINGS

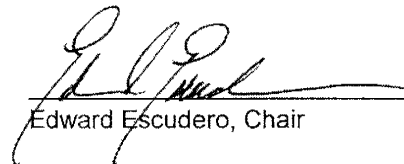
This Rules and Regulations No. 17 is a part of the other Rules and Regulations adopted by the El Paso Water Utilities Public Service Board, and, save and except as amended hereby, the remaining provisions of the El Paso Water Utilities Public Service Board's Rules and Regulations shall remain in full force and effect.

SECTION XIII EFFECTIVE DATE

This Rules and Regulations No. 17 shall be and become effective from and after its adoption hereby and shall remain in effect until otherwise amended by the El Paso Water Utilities Public Service Board or operation of law.

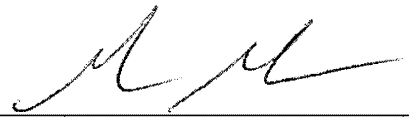
PASSED, APPROVED and ADOPTED RULES AND REGULATIONS NUMBER 17 CONCERNING DROUGHT AND WATER EMERGENCY RESPONSE RULE at a regularly scheduled meeting of the El Paso Water Utilities Public Service Board, this 14th day of March, 2012, at which meeting a quorum was present, said meeting being held in accordance with the provisions of V.T.C.A., Government Code, Sections 551.001 et. seq.

EL PASO WATER UTILITIES
PUBLIC SERVICE BOARD



Edward Escudero, Chair

ATTEST:



Richard T. Schoephoerster, P.E., PhD.
Secretary-Treasurer

APPROVED AS TO FORM:



Robert D. Andron
General Counsel