

State of Wisconsin
DEPARTMENT OF NATURAL RESOURCES
101 S. Webster Street
Box 7921
Madison WI 53707-7921

Scott Walker, Governor
Cathy Stepp, Secretary
Telephone 608-266-2621
Toll Free 1-888-936-7463
TTY Access via relay - 711



December 13, 2013

RECEIVED
DEC 13 2013
Waukesha
Water Utility

DANIEL S. DUCHNIAK, P.E.
GENERAL MANAGER
WAUKESHA WATER UTILITY
115 DELA FEILD STREET
WAUKESHA, WI 53188

Subject: Great Lakes Diversion Application- Compliance with Wisconsin Administrative Code Chapter NR 852

Dear Mr. Duchniak,

The department continues its technical review of the City of Waukesha's updated application for a Lake Michigan Water Diversion. The principal goal of this review is to determine if the City's application meets the Great Lakes Compact and state statutory criteria for a diversion to a community within a straddling county. The department's preliminary analysis has determined that some required Water Conservation and Water Use Efficiency elements are insufficiently documented.

The "exception standard" applying to diversions in both the Great Lakes Compact and Wisconsin statutes requires that any applicant for a diversion to a community within a straddling county commit to implementing environmentally sound and economically feasible water conservation measures¹. Chapter NR 852 of the Wisconsin Administrative Code specifically describes the actions and analyses an applicant needs to implement to satisfy these requirements for purposes of Wisconsin's Compact implementation. You must provide additional documentation related to the following key requirements:

- The application states that "the City actively provides water conservation information to the industries it serves" and that a number of customers have reduced their water use.² However, no details are provided demonstrating the actions that the City of Waukesha has undertaken with its industrial and commercial customers or what specific information the City has provided to these customers. Further, the examples cited in the application of past industrial demand reduction include no reference to the City's role in implementing the measures. To comply with NR 852.05(2), Wis. Admin. Code [Table 2 Required Conservation and Efficiency Measures (CEM) #PWS-R3], the City must further document past and current efforts to establish a commercial and industrial demand management program. Where possible, the demand reduction from these efforts should be quantified through measurement or estimation.
- Additionally, section NR 852.07(2)(d), Wis. Admin Code, requires the city to prepare a monitoring plan to assess the impact of CEM implementation. Although the application states that the City monitors costs and savings, no details are provided regarding what data are collected, how the data are collected, and how the data are used in decision-making. To comply with this requirement, the city must outline a detailed water conservation monitoring plan, including how the data are collected, and how the data will be used to adaptively manage the City's water resources.

¹ Great Lakes St. Lawrence River Basin Water Resources Compact §4.9.4.e. and Wis. Stat. §§281.343(4n)(d)5. and 281.346(4)(f)6.

² Waukesha Diversion Application vol. 3, p. 5-5.

State of Wisconsin
DEPARTMENT OF NATURAL RESOURCES
101 S. Webster Street
Box 7921
Madison WI 53707-7921

Scott Walker, Governor
Cathy Stepp, Secretary
Telephone 608-266-2621
Toll Free 1-888-936-7463
TTY Access via relay - 711



- Section NR 852.09, Wis. Admin. Code, requires the city to undertake a cost effectiveness analysis for required and potential CEMs. The department previously recommended use of the Alliance for Water Efficiency Conservation Tracking Tool as a means to satisfy this requirement. While some results from this tool are presented in the application, the full analysis itself is not included. To comply with this requirement, the department recommends that the City provide the completed tool to department staff for review.
- The conservation plan included in the City's updated application submitted in October 2013 was completed in May 2012. Since May 2012, the City's projected water demand has decreased. Since projected demand was fundamental to Waukesha's conservation plan, the department requests that the City provide documentation of how calculations in the 2012 conservation plan are to be reconciled with the City's final proposed demand projections.

The City's application demonstrates a commitment to implementing sound water conservation, particularly in the residential sector. However sufficient detail is lacking for the above-listed elements required by Chapter NR 852, Wis. Admin. Code. After the City demonstrates compliance with the requirements outlined in NR 852, the department will be able to determine if the City meets the requirements for water conservation under Wisconsin's "exception standard" for a proposed Great Lakes water diversion to a community within a straddling county.

Sincerely,

Eric Ebersberger
Water Use Section Chief
Bureau of Drinking Water and Groundwater

Cc: Ken Johnson, Water Division Administrator
Jill Jonas, Drinking Water & Groundwater Bureau Director