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Conference provides lessons for water management

By Jacob Cottingham

A group of Texas water conservation officials dealing with a serious drought got a look at how California officials have been dealing with their drought at a meeting sponsored by the Environmental Defense Fund and the Sierra Club recently.

Some of the region's most water-conscious professionals attended a day-long conference on water management gathered at the Ladybird Johnson Wildflower Center. The program Water 2.0: New Ideas for a Secure Water Future.

The program was the ninth and final statewide water conference the Environmental Defense Fund has held. The attendees discussed three water management issues: water-neutral development, reverse auctions for purchasing water flow, and the energy-water nexus.

Richard Harris, manager of Water Conservation for the East Bay Municipal Utility District, gave the presentation on how his district's Water Conservation Master Plan was able to encourage water neutral development in Oakland and Berkeley. Harris' presentation hoped to give some insight into how Texas could learn from effective conservation measures in another drought-plagued state. He detailed the efforts of the Camino Tassajara development in Danville, Calif.

The political realities of water conservation in Texas, as opposed to California, were not lost on the crowd, who learned how particular laws in the left-leaning Golden State enabled what conference literature called, "one of the largest staffed and budgeted conservation programs among major utilities in the state," to succeed.

As panelist and Kerr County Commissioner Jonathan Letz pointed out, Texas counties and municipalities are currently limited to merely regulating lot size and don't have the authority that Harris wields to dictate agreements with developers that would require residents to pay extra if the area in question exceeded its yearly allotted average of water use.

The day's second presentation held a lot of promise for Texans concerned with water management. Mary Kelly, Senior Counsel for the Center for Rivers and Deltas for the EDF enlightened the audience on Reverse Auctions. The process offers a contrast to typical auctions where one seller entertains bids from a variety of potential buyers, similar to an eBay transaction. A reverse auction matches up several potential sellers with one buyer. The buyer creates the maximum price they are willing to pay and then selects from the sellers who submit prices below that.

In a water management context, a single entity, for example the San Antonio Water Supply, would notify water permit holders such as farmers or ranchers that SAWS is looking to buy either a specific amount of water, or has a set budget with which to purchase an undefined amount of water. This technique has been implemented at varying levels of success in Oregon, Georgia and here in Texas. An important aspect to reverse auctions is that it can provide a way to value water beyond simply what its intended use is.

Kelly concluded her presentation saying, “From a legal standpoint it may be easier to use reverse auctions for groundwater, once groundwater rights are better defined than they are now.” She pointed out that the Edwards Aquifer was in a unique position due to its enabling legislation, which more clearly defined rights.

SAWS Water Resource Planner Patrick Shriver spoke about his system’s foray into reverse auctions for acquiring Edwards Aquifer stream flow in 2003. Shriver said the idea came out of the system’s procurement department and went through a single bidding round over a three to four month period. They were looking for 10,000 acre-feet and had five pricing blocks paying more for larger blocks of water. SAWS had 20 bidders sign up for the auction and received nine bids, three of which were below SAWS’ stated maximum.

Unfortunately, they did not follow through with the purchase because a larger block of water became available at a cheaper rate, which the system did purchase. Although there is a lot of promise for such a technique to be used in varying scenarios, it was unclear whether the inabilities of the water system to follow through on the deal hurt its credibility for future use of reverse auctions in the region.

After a short presentation from local green roof advocates, GRoWERS, the conference settled into the most wide-ranging topic of the day’s agenda, the Energy-Water Nexus. Amy Hardberger, an attorney with EDF gave a relaxed and self-effacing presentation that managed to hold the audience’s attention even after four previous hours of sitting and listening.

David Greene, environmental engineer and geologist with Austin Water Utility, moderated the ensuing panel, which discussed the relative energy strain for alternative water withdrawal techniques like desalination and how water savings could be incorporated into a carbon trading system

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