

5. 2025 Annual Water Supply and Demand Assessment **ACTION** 8:05PM – 8:15PM *Staff:*
Karla Dailey, Assistant Director of Utilities, Resource Management Division



CITY OF
**PALO
ALTO**

Utilities Advisory Commission Staff Report

From: Kiely Nose, Interim Director of Utilities
Lead Department: Utilities

Meeting Date: May 7, 2025
Report #: 2503-4360

TITLE

2025 Annual Water Supply and Demand Assessment

RECOMMENDATION

Staff recommends the Utilities Advisory Commission (UAC) recommend City Council adopt the 2025 Annual Water Shortage Assessment Report.

EXECUTIVE SUMMARY

Beginning in 2022, every urban water supplier in California must conduct an Annual Water Supply and Demand Assessment as required by California Water Code Section 10632 (a). Each urban water supplier must also submit an Annual Water Shortage Assessment Report to the Department of Water Resources (DWR) on or before July 1, as required by California Water Code Section 10632.1. The City's Annual Water Shortage Assessment Report (Attachment A, Tables 1-5) show that there is no water shortage anticipated for Fiscal Year 2026.

On April 15, 2025, the San Francisco Public Utilities Commission (SFPUC), Palo Alto's water supplier, provided Palo Alto with the Water Supply Availability Update indicating for the current water year, Hetch Hetchy watershed has experienced nearly average conditions for precipitation and snowpack. The City of Palo Alto encourages continued water conservation efforts and the City's website contains more information about available [water conservation programs](#).¹

DISCUSSION

To prepare the 2025 Annual Water Shortage Assessment Report, staff followed the procedures outlined in its Water Shortage Contingency Plan, contained in Section 7 of the City's 2020 [Urban Water Management Plan](#) (UWMP).² Palo Alto's 2025 Annual Water Shortage Assessment Report uses the DWR-developed Optional Annual Assessment Tool format. This format includes the 5 tables shown in Attachment A. Staff will submit the standard tables to DWR by July 1, 2025. "Table 1. Annual Assessment Information" (Table 1) provides required overview information. The

¹ Water Conservation Programs <https://www.paloalto.gov/Departments/Utilities/Sustainability/Ways-to-Save>

² Urban Water Management Plan https://www.cityofpaloalto.org/files/assets/public/v/1/utilities/uwmp/2020-uwmp_final-submission-to-dwr.pdf

remaining tables project water supply and demand for FY 2026 under dry conditions, as required, and finds that there is no projected water shortage.

Upon Council adoption, staff will submit the 2025 Annual Water Shortage Assessment Report to the Department of Water Resources. After Palo Alto and other urban water suppliers report to DWR on the 2025 Annual Water Shortage Assessment Reports, DWR will prepare a summary report on its review of the Annual Water Supply and Demand Assessment results and provide it to the State Water Resources Control Board (State Board) by September 30, 2025. The DWR report will include water shortage information at the supplier level, as well as regional and statewide analysis of water conditions as required by California Water Code Section 10644 (c)(1)(B).

Potable Water

Palo Alto receives 100% of its potable water supply from the SFPUC Regional Water System and staff used the SFPUC's April 15, 2025 Water Supply Availability Update to determine water supply.

- “Table 2: Water Demands” (Table 2) provides a demand projection for each month of FY 2026;
- “Table 3: Water Supplies” (Table 3) notes that there is sufficient supply to meet Palo Alto’s demand and projects supply equal to the demand projection since there is no projected water shortage in FY 2026;
- “Table 4(P): Potable Water Shortage Assessment” (Table 4(P)) compares projected FY 2025 demand with supply and illustrates that there is no shortage projected for FY 2026;
- “Table 5: Planned Water Shortage Response Actions” (Table 5) shows no triggered water shortage actions.

Palo Alto’s eight permanent water use regulations remain in effect (see Palo Alto Municipal Code Section 12.32.010).

Non-Potable Water

For non-potable recycled water, Table 2 provides the demand projection and Table 3 notes that there is sufficient supply to meet Palo Alto’s non-potable recycled water demand in FY 2026. For that reason, the supply is set to equal demand and there is no shortage of non-potable water projected in Table 4(NP), “Non Potable Water Shortage Assessment”.

FISCAL/RESOURCE IMPACT

There is no fiscal impact from Council approving the 2025 Annual Water Shortage Assessment Report.

STAKEHOLDER ENGAGEMENT

Interested parties are encouraged to comment or provide feedback on the proposed 2025 Annual Water Shortage Assessment Report at the Council meeting where the report will be considered for approval, or to submit written comments prior to those meetings.

ENVIRONMENTAL REVIEW

Adoption of the 2025 Annual Water Shortage Assessment Report is exempt from California Environmental Quality Act's (CEQA) review pursuant to Water Code Section 10652.

ATTACHMENTS

Attachment A: 2025 Water Supply and Demand Assessment Tables

AUTHOR/TITLE:

Kiely Nose, Interim Director of Utilities

Staff: Karla Dailey, Assistant Director of Utilities, Resource Management Division

Attachment A: 2025 Annual Water Shortage Assessment Report Tables

Table 1. Annual Assessment Information	
Annual Assessment Information	
Year Covered By This Shortage Report (Required)	
Start: July 1,	2025
End: June 30,	2026
Volume Unit for Reported Supply and Demand: <i>(Must use the same unit throughout)</i>	AF
Supplier's Annual Assessment Planning Cycle (Required)	
Start Month:	July
End Month:	June
Data Interval:	Monthly (12 data points per year)
Water Supplier's Contact Information (Required)	
Water Supplier's Name:	City of Palo Alto
Contact Name:	Karla Dailey
Contact Title:	Assistant Director of Utilities, Resource Management
Street Address:	250 Hamilton Avenue, Palo Alto
ZIP Code:	94301
Phone Number:	(650)329-2523
Email Address:	karla.dailey@cityofpaloalto.org
Report Preparer's Contact Information <i>(if different from above)</i>	
Preparer's Organization Name:	
Preparer's Contact Name:	
Phone Number:	
Email Address:	
Supplier's Water Shortage Contingency Plan	
WSCP Title	2020 Water Shortage Contingency Plan of the City of Palo Alto
WSCP Adoption Date	6/7/2021
Other Annual Assessment Related Activities	
Activity	Timeline/ Outcomes / Links / Notes
Annual Assessment/ Shortage Report Title:	Optional
Annual Assessment / Shortage Report Approval Date:	6/2/2025
Other Annual Assessment Related Activities:	The 2020 Water Shortage Contingency Plan of the City of Palo Alto states that Palo Alto will utilize the BAWSCA Regional Reliability Model to evaluate water supply availability, however, the plan also permits the City to use SFPUC data since SFPUC is the City's sole supplier. Specifically, the 2020 Water Shortage Contingency Plan states: "Because Palo Alto relies on only one potable water supply source, SFPUC RWS water, the Annual Assessment will rely on key data inputs from the SFPUC." Palo Alto used the SFPUC's April 15, 2025 Water Supply Availability Update to determine water supply.
(Add rows as needed)	

	= Auto calculated
	= From prior tables
	= For manual input

Table 4(P): Potable Water Shortage Assessment ¹	Start Year: 2025					Volumetric Unit Used ² :						AF	
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun ³	Total
Anticipated Unconstrained Demand	131 0	128 5	130 7	1088	929	686	654	575	660	69 7	969	113 5	112 95
Anticipated Total Water Supply	131 0	128 5	130 7	1088	929	686	654	575	660	69 7	969	113 5	112 95
Surplus/Shortage w/o WSCP Action	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0. 0	0.0	0.0	0.0
% Surplus/Shortage w/o WSCP Action	0%	0%	0%	0%	0%	0%	0%	0%	0%	0 %	0%	0%	0%
State Standard Shortage Level	0	0	0	0	0	0	0	0	0	0	0	0	0
Planned WSCP Actions ⁴													
Benefit from WSCP: Supply Augmentation													0.0
Benefit from WSCP: Demand Reduction													0.0
Revised Surplus/Shortage with WSCP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0. 0	0.0	0.0	0.0
% Revised Surplus/Shortage with WSCP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0 %	0%	0%	0%

¹Assessments are based on best available data at time of submitting the report and actual volumes could be different due to many factors.

²Units of measure (AF, CCF, MG) must remain consistent.

³When optional monthly volumes aren't provided, verify Tables 2 and 3 use the same columns for data entry and are reflected properly in Table 4 and make sure to use those same columns to enter the benefits from Planned WSCP Actions. Please see directions on the shortage balancing exercise in the Table Instructions. If a shortage is projected, the supplier is highly recommended to perform a monthly analysis to more accurately identify the time of shortage.

⁴If you enter any WSCP Benefits, then you must enter the corresponding planned Actions into Table 5.

	= Auto calculated	
	= From prior tables	
	= For manual input	

Table 4(NP): Non-Potable Water Shortage Assessment¹													Start Year: 2025	Volumetric Unit Used²:			AF
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun ³	Total				
Anticipated Unconstrained Demand: Non-Potable	54	53	35	22	11	2	2	11	9	24	42	50	315				
Anticipated Total Water Supply: Non-Potable	54	53	35	22	11	2	2	11	9	24	42	50	315				
Surplus/Shortage w/o WSCP Action: Non-Potable	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0				
% Surplus/Shortage w/o WSCP Action: Non-Potable	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%				
Planned WSCP Actions⁴																	
Benefit from WSCP: Supply Augmentation													0.0				
Benefit from WSCP: Demand Reduction													0.0				
Revised Surplus/Shortage with WSCP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0				
% Revised Surplus/Shortage with WSCP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%				

¹Assessments are based on best available data at time of submitting the report and actual volumes could be different due to many factors.
²Units of measure (AF, CCF, MG) must remain consistent.
³When optional monthly volumes aren't provided, verify Tables 2 and 3 use the same columns for data entry and are reflected properly in Table 4 and make sure to use those same columns to enter the benefits from Planned WSCP Actions. Please see directions on the shortage balancing exercise in the Table Instructions. If a shortage is projected, the supplier is highly recommended to perform a monthly analysis to more accurately identify the time of shortage.
⁴If you enter any WSCP Benefits, then you must enter the corresponding planned Actions into Table 5.

Table 5: Planned Water Shortage Response Actions					July 1, 2025	to June 30, 2026	
Anticipated Shortage Level Drop-down List of State Standard Levels (1-6) and Level 0 (No Shortage)	ACTIONS ¹ : Demand Reduction, Supply Augmentation, and Other Actions. (Drop-down List) These are the only categories that will be accepted by the WUEdata online submittal tool. Select those that apply.	Is action already being implemented? (Y/N)	How much is action going to reduce the shortage gap? (Optional)		When is shortage response action anticipated to be implemented ² ?		
			Enter Amount	(Drop-down List) Select % or Volume Unit	Start Month	End Month	
<i>Add additional rows as needed</i>							
NOTES: Notes Section to be used only for clarifying details, and not for listing specific actions. Actions must be entered into table rows	Palo Alto currently implements permanent water use restrictions according to the Palo Alto Municipal Code Section 12.32.010 https://codelibrary.amlegal.com/codes/paloalto/latest/paloalto_ca/0-0-0-69362#JD_Chapter12.32 . There is currently no water shortage projected for FY 2026 in Table 4(P).						
¹ If you plan Supply Augmentation Actions then you must enter WSCP Benefits from Supply Augmentation Actions into Table 4. If you plan Demand Reduction Actions then you must enter WSCP Benefits from Demand Reduction Actions into Table 4. ² If an Action is planned to be implemented in multiple non-contiguous periods of the year, please make separate entries on multiple rows for the same action spanning the different implementation periods.							