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September 14, 2015

The Honorable City Council
c/o Office of the City Clerk
Room 395, City Hall
Mail Stop 160

Attention: Councilmember Felipe Fuentes
Chairperson, Energy and Environment Committee

Honorable Members:

Subject: Council File No. 15-0525 – Feasibility and Implementation for Pool
Cover Rebates

This report was prepared in response to a motion made by Councilmember Felipe Fuentes on April 28, 2015, requesting the Los Angeles Department of Water and Power (LADWP) report on the feasibility of offering customer rebates for pool covers.

Pool Cover Research

Pool covers come in different types and purposes, with widely varying cost ranges.

- Floating Solar Pool Covers - Low end of the cost spectrum and range from \$150 to \$600. These covers float on top of the pool water surface and are unanchored. Primary purpose is to help keep the pool warm, but they also yield water savings through decreased evaporation. Research shows that floating pool covers are not recommended for long-term use. Multiple sources have raised safety concerns regarding potentially increased risk of drowning if left unattended.
- Safety Pool Covers - High end of cost spectrum and range from \$2,500 to \$8,000. These covers offer the same water savings benefits as floating solar pool covers, but have the added benefit of either being anchored or supported by a track or reel system. Recommended for longer-term coverage. Covers are able to support weights of up to 450 pounds. Main purpose is to safeguard against child or pet drowning.

Pool Cover Rebate Analysis

For a potential swimming pool cover rebate to realize meaningful water savings, a pool cover needs to be used at least half of the year. Using pool cover research conducted by the California Urban Water Conservation Council (CUWCC), LADWP determined the maximum potential pool cover rebate amount is approximately \$100. Calculations are based on average pool sizes, evaporation rate of 50 inches per year, and avoided cost of the Metropolitan Water District of Southern California (MWD) Tier 1 treated water, priced at \$923 per acre-foot. This maximum rebate amount equates to approximately two percent of pool cover cost which makes it an ineffective customer market penetration tool.

Program Administration

LADWP's Water Conservation Program does not run rebates in-house aside from our Technical Assistance Program, which is a customized program that targets large commercial and multi-family customers. LADWP's rebates are provided and administered through LADWP's participation in MWD's regional conservation program, which significantly reduces program administration cost and provides cost savings for LADWP's Water Conservation Program.

LADWP proposed a pool cover rebate to MWD's Public Advisory Committee, which considers new rebate ideas to add onto MWD's regional conservation program. MWD's Public Advisory Committee independently evaluated the potential water savings associated with pool covers, and determined not to move forward with a pool cover rebate at this time. Therefore, for LADWP to proceed with a pool cover rebate, LADWP will need to administer a pool cover rebate program in-house. Estimated cost for in-house program administration including application review, verification, inspection, issuing rebate checks, etc., equates to approximately \$600 per application, which will make the rebate cost prohibitive.

Customer Utilization

Unlike the rest of LADWP's existing water conservation rebates, it is very difficult to ensure that customers utilize their pool covers correctly to achieve the water savings potential assumed under the rebate. Safety pool covers at the lower end of the cost spectrum are typically not automatic reel systems. Residents need to be vigilant in setting-up and anchoring the pool cover when the pool is not in use. Residents also need to actively maintain and clean their pool covers to ensure proper function and useful life. CUWCC has **not** set a Best Management Practice mandate for pool covers,

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because their pool cover study determined it is difficult to ensure proper customer behavior changes to achieve cost-effective water savings.

Recommendations

Research shows evaporative losses from a pool are similar to that of turf grass, which suggests similar water savings between a pool cover and turf removal. Therefore, LADWP recommends limited rebate funds be dedicated to LADWP's California Friendly Landscape Incentive Program targeting turf removal, which continues to expand and is yielding year round water savings.

LADWP also recommends that the City of Los Angeles (City) maintain its focus on developing outreach and informational materials on pool covers for customers, but not pursue a pool cover rebate at this time. Should the City need to move into Phase 4 of the City's Emergency Water Conservation Ordinance, which mandates use of pool covers, LADWP could then be directed to revisit the feasibility of providing pool cover rebates.

If you have any questions or require additional information, please contact me at (213) 367-1388, or Ms. Winifred J. Yancy, Director of Intergovernmental Affairs and Community Relations, at (213) 367-0025.

Sincerely,



Marcie L. Edwards
General Manager

PF:yrq

Enclosure

c/enc: Councilmember Bob Blumenfield, Vice-Chair, Energy and Environment Committee
Councilmember Paul Koretz, Member
Councilmember Gilbert Cedillo, Member
Councilmember Mitch O'Farrell, Member
Ms. Sharon Gin, Legislative Assistant

Ms. Winifred J. Yancy

MOTION

On April 23, 2015, the Los Angeles Board of Water and Power Commissioners amended the City's Emergency Water Conservation Ordinance.

The amended ordinance would create a new Phase 3 that would limit watering with sprinklers to two days per week, recommend washing vehicles at commercial washing facilities, and recommend the use of pool covers.

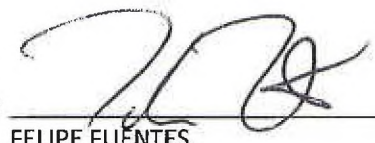
These proposed amendments, and others, are now before the Council's Energy and Environment Committee for review.

In order to encourage conservation, the Los Angeles Department of Water and Power (DWP) and the Metropolitan Water District offer customer rebates on high-efficiency appliances, rain barrels, turf removal and other water saving devices.

Pool covers are not currently covered under the rebate program. Since Phase 3 would recommend the use of pool covers, the DWP should offer a rebate to incentivize customers to purchase and use pool covers to prevent water evaporation. Typical residential pools can lose an inch of water per week when left uncovered.

I THEREFORE MOVE that the Department of Water and Power be requested to immediately report to the Council on the feasibility of offering customer rebates for pool covers, including an implementation plan for the new rebate.

PRESENTED BY:



FELIPE FUENTES,
Councilmember, 7th District

SECONDED BY:



ORIGINAL



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