

# Residential Water Submetering in San Francisco

## Frequently Asked Questions

Last modified June 2018

### **GENERAL QUESTIONS**

#### **1. What is residential water submetering and why is it required?**

Residential water submetering is a system that allows a landlord, property management firm, condominium association, homeowners association, or other multi-tenant property to bill tenants for their water usage. The approach makes use of individual water submeters for each unit.

Water use in multi-family residential buildings, such as apartments and condominiums, makes up about 60 percent of water consumed by residential customers in San Francisco. Many of these buildings, however, do not meter each dwelling unit for water use, therefore, tenants and condo owners may not be aware of how much water they are using and may be less inclined to conserve.

In September 2016, Governor Jerry Brown signed into law Senate Bill 7 (SB 7), which requires new multi-family residential buildings in California constructed after January 1, 2018 to include a submeter for each dwelling unit and to bill tenants in apartment buildings accordingly for their water use. To implement this law in San Francisco, the San Francisco Public Utilities Commission (SFPUC), in coordination with the Department of Building Inspection (DBI) and Department of Public Health (DPH), is required to ensure that new multi-family residential buildings are submetered before receiving water service.

#### **2. When does the requirement take effect?**

The submetering requirement takes effect on January 1, 2018. The requirement will be implemented in two phases:

- (1) an interim phase under the Water Code as amended by SB 7 (Water Code, Division 1, Chapter 8, Article 5, Section 537-537.5) effective January 1, 2018 until new building standards are established, and
- (2) permanently under the Health and Safety Code as amended by SB 7 (Health and Safety Code, Division 13, Part 1.5, Chapter 2, Section 17922.14), which would add new building standards requiring the installation of submeters in multi-family residential buildings to a future update of California Building Standards Code.

SB 7 directs the Department of Housing and Community Development to develop the new building standards for submetering. The new standards will be included in the next triennial code cycle, i.e., the 2019 California Building Standards Code, which would take effect on January 1, 2020, or a subsequent code cycle. DBI enforces the California Building Standards Code in San Francisco. Until then, the requirement will be enforced in San Francisco by SFPUC under the interim Water Code.

**3. How will the requirement be enforced?**

As stated above, until the new requirement is permanently established in the California Building Standards Code, the requirement will be enforced in San Francisco by SFPUC under the interim Water Code. As a condition of the site permit and water service for a newly constructed multi-family residential structure or mixed-use residential and commercial structure, site plans must indicate that each dwelling unit will be submetered. The SFPUC will review plans (plan check) for compliance only for projects that apply for a site permit from DBI and for new water service from SFPUC, both on or after January 1, 2018. If sufficient submetering is included, SFPUC will approve the project for the site permit and water service. Otherwise, SFPUC will contact the applicant to revised and resubmit the site plans. For more information about how to comply, see the “Compliance and Technical Guidance” section below.

During the construction phase and prior to issuance of a Certificate of Completion and Occupancy, DBI Plumbing Inspection Division will enforce the installation of submeters in compliance with applicable codes and standards. Submeters used to bill tenants based on metered water use must be a legal-for-trade device which has been tested and certified for accuracy by a California County Sealer who has the necessary facilities. Once they are installed, these meters must be registered with, and inspected by, the staff of the San Francisco County Sealer as a part of the [SF DPH Weights and Measures Program](#).

**4. I have a question about the residential water submetering requirement that is not addressed by these FAQs. Who can I contact for help?**

Please contact SFPUC Customer Service New Service Installations at [niapprovals@sfgwater.org](mailto:niapprovals@sfgwater.org) or (415) 551-2900.

**APPLICABILITY**

**5. Who needs to comply? What triggers the requirement?**

Effective January 1, 2018, any customer applying for a site permit for a project that includes new construction of a multi-family residential structure; mixed-use residential and commercial structure; or condominiums (regardless of whether the individual dwelling units will be rented or owned) must comply with the SB 7 requirement.

**6. For newly constructed mixed-use residential and commercial buildings, do the commercial units also need to be submetered?**

No, only the residential dwelling units need to be submetered. Units that are used only for commercial purposes are not required to be submetered.

**7. Does the requirement also apply to condominiums (i.e., buildings in which dwelling units are individually owned, not rented)?**

Yes. In San Francisco, submeters will be required in all new multi-family residential buildings, regardless of whether the individual dwelling units will be rented or owned. However, only apartment buildings will be required to bill tenants based on an individual unit's measured use. Should a condominium be converted into a rental apartment building in the future, the appropriate meters will already be in place to enable billing based on measured use.

**8. What types of multi-family residential structures are exempt?**

Per the interim Water Code (Section 537, Paragraph a), the following structures are exempt:

- (1) *Low-income housing. For purposes of this paragraph, "low-income housing" means a residential building financed with low-income housing tax credits, tax-exempt mortgage revenue bonds, general obligation bonds, or local, state, or federal loans or grants, for which the rents of the occupants in lower income households, as defined in Section 50079.5 of the Health and Safety Code, do not exceed rents prescribed by deed restrictions or regulatory agreements pursuant to the terms of the financing or financial assistance, and for which not less than 90 percent of the dwelling units within the building are designated for occupancy by lower income households, as defined in Section 50079.5 of the Health and Safety Code.*
- (2) *Housing at a place of education, as defined in Section 202 of the California Building Standards Code (Title 24 of the California Code of Regulations).*
- (3) *Long-term health care facilities, as defined in Section 1418 of the Health and Safety Code.*
- (4) *Time-share property, as defined in subdivision (aa) of Section 11212 of the Business and Professions Code.*
- (5) *Residential care facilities for the elderly, as defined in Section 1569.2 of the Health and Safety Code.*

**9. Are high-rises exempt?**

No. SB 7 states that the Department of Housing and Community Development shall determine additional exemptions, such as high-rise structures, to be included in the new building standards. The interim Water Code is silent on exemptions for high-rise structures, and no guidance regarding high rises has been provided from the State to local water purveyors. Therefore, while the interim Water Code is in effect, or unless otherwise directed by the State, the SFPUC will adhere to the list of exemptions listed in Water Code Section 537 (see the previous question).

**10. Are duplexes, triplexes, or townhomes exempt?**

No. Any structure with two or more dwelling units connected to the master water meter (i.e., the SFPUC meter) must comply unless it meets the exemption criteria set forth in the interim Water Code.

**11. I believe my multi-family residential project should be exempt. How do I apply for an exemption?**

If your project meets the exemption criteria set forth in the interim Water Code (Section 537, Paragraph a), you may apply for an exemption by completing and returning the Exemption Application Form to the SFPUC. The Exemption Application Form is available on the Residential Water Submetering web page at: [www.sfwater.org/reqs/submetering](http://www.sfwater.org/reqs/submetering).

**COMPLIANCE AND TECHNICAL GUIDANCE**

**12. How do I comply?**

While the interim Water Code is in effect, all projects in San Francisco with a newly constructed multi-family residential structure or mixed-use residential and commercial structure must show in their site permit plans submitted to DBI that submeters will be installed. SFPUC will review the site plans (plan check) to verify inclusion of sufficient metering and will route the project application forward for approval of both the site permit and new water service connection. If the site plans do not include sufficient metering, SFPUC will contact the applicant to revise and resubmit its plans. A flowchart of the compliance process is available on the Residential Water Submetering web page at: [www.sfwater.org/reqs/submetering](http://www.sfwater.org/reqs/submetering).

**13. What type of submeter should be installed?**

The submeter must be approved by the California Department of Food and Agriculture Division of Measurement Standards (pursuant to Section 12500.5 of the Business and Professions Code) and be a legal-for-trade device as it would enable tenants to be billed based on metered water use. For a current list of approved submeters, search the California Type Evaluation Program (CTEP) Certificates of Approval Database (under the Device Type drop-down menu, select "Water Meter"): <http://www.cdffa.ca.gov/dms/ctep.html>

**14. Can an individual meter be installed per dwelling unit instead of a submeter?**

Yes, SB 7 requires that individual dwelling units be individually metered or submetered. However, SFPUC encourages submeters over individual meters particularly for buildings with many dwelling units (e.g., high rises) since individual meters could exacerbate space and access issues.

**15. Who installs the submeter?**

While the SFPUC is responsible for providing, maintaining, and measuring water use at the master meter (i.e., SFPUC meter) that serves the building, and the SFPUC will continue to do so, the property owner is responsible for the submeter serving each individual dwelling unit. The property owner and/or landlord shall install, maintain, and read submeters per state and local weights and measures requirements. Questions regarding landlord responsibilities are answered in the "Landlord Responsibilities and Billing" section below.

**16. For buildings with a central water heating system, will only domestic cold water need to be metered, or will a secondary meter need to be installed on the hot water return line?**

The interim Water Code does not address hot water return lines. However, we recognize that in places like San Francisco where space is limited and where recycled water meters are already required for certain new construction, it would be difficult to install multiple meters for each dwelling unit. The SFPUC will update this FAQ if guidance is provided by the State and/or as we gather information from other municipalities that already require submetering.

**17. For buildings with onsite water reuse, will recycled water still need to be metered for each dwelling unit since its source was already metered upon entering the building as domestic water?**

The interim Water Code does not address onsite recycled water. However, we recognize that building space is becoming more limited as the number of required meters increases. The SFPUC will update this FAQ if guidance is provided by the State and/or as we gather information from other municipalities that already require submetering.

**18. Does the submeter need to be installed in-unit or can it be installed in a common area?**

The primary indicating element of water submeters must be accessible by the staff of the San Francisco County Sealer for inspection. Either the primary (or secondary) indicating elements must be accessible by the tenant of the dwelling unit to which the meter pertains and by the landlord without entering the dwelling unit. Typically these submeters are installed in a common area.

**LANDLORD RESPONSIBILITIES AND BILLING**

**19. As a property owner, what am I supposed to do with the submeters?**

The SFPUC does not provide oversight on SB 7 requirements that are imposed onto property owners, landlords, or authorized representatives (i.e., those established under the Civil Code). However, all submeters shall comply with all laws and regulations governing their installation, maintenance, reading, billing, and testing (including, but not limited to, the California Plumbing Code, and Business and Professions Code Section). Before water service begins and prior to issuance of a Certificate of Completion and Occupancy from DBI, the installed submeters shall be inspected by DBI. Submeters used to bill tenants based on metered water use shall be a legal-for-trade device which has been tested and certified for accuracy by a California County Sealer who has the necessary facilities. Once they are installed, these meters shall be registered with, and inspected by, the staff of the San Francisco County Sealer as a part of the [SF DPH Weights and Measures Program](#).

**20. Where can I find more information about billing tenants based on their metered water use?**

The SFPUC does not provide oversight of SB 7 requirements that are imposed onto landlords (i.e., those established under the Civil Code). A summary of the SB 7 requirements pertaining to submeter installation, reading, disclosure, and billing is available from the California Apartment Association at: <https://caanet.org/kb/water-submeters-rental-property/>.