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February 27, 2013

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California Air Resources Board  
Clerk of the Board, Air Resources Board  
1001 I Street  
Sacramento, California 95814

Dear Clerk of the Board:

**Subject: Investment Plan for Auction Proceeds from California Cap-and-Trade Program**

Eastern Municipal Water District (EMWD) appreciates the opportunity to comment on the Investment Plan for Auction Proceeds from California Cap-and-Trade Program. EMWD provides environmentally sound, cost-effective wastewater management for approximately 755,000 people in Riverside County and, in the process, converts wastewater into resources such as recycled water, energy from digester gas, and biosolids for fertilizer. The EMWD service area covers approximately 542 square miles and encompasses 7 cities and unincorporated territory within the County. EMWD has also played a significant role over the years reducing air emissions and developing state-of-the-art emissions controls and programs for both water and wastewater treatment operations.

EMWD believes that reducing energy use and increasing energy efficiency related to the supply, conveyance, treatment and use of water should be a priority. In particular, EMWD would like to encourage uses of the auction proceeds to promote recycled water, renewable biogas, and water conservation. Use of auction proceeds to promote recycled water would result in reduced greenhouse gas (GHG) emissions. In the EMWD service area, recycled water has been used to supplement potable water for outdoor uses such as irrigation for landscape, agriculture and feed/fodder crop. Recycled water has a substantially lower GHG footprint than imported water. Whereas imported water may have been pumped hundreds of miles, recycled water is available locally. As such, much less energy is needed to supply recycled water. Because less energy is required to produce recycled water, it has a lower GHG footprint and can be supplied to our customers at a lower cost. In addition, recycled water allows EMWD to be less dependent on diminishing imported water supplies. Use of recycled water is a means of conserving water because every gallon that is re-used allows one more gallon to remain underground. The use of recycled

water reduces the need to utilize local groundwater supplies for the various irrigation uses.

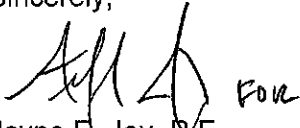
Use of auction proceeds to promote biogas would result in reduced greenhouse gas (GHG) emissions. Biogas is usually produced as a part of the wastewater treatment process. Our facilities can use this gas as a source of energy to power the treatment process. By using biogas in place of fossil fuel derived power, water agencies can replace higher carbon sources of energy with an essentially carbon neutral energy source such as biogas. Unfortunately, emission control technology for biogas is very costly and some agencies may be forced to flare biogas instead of using it in place of fossil fuels. By funding the use of biogas, water agencies will be able to continue the use of biogas and GHG emissions would be avoided.

Use of auction proceeds to promote water conservation would result in reduced GHG emissions. It is well known that a large portion of all the GHG emissions in California result from the supply, distribution and treatment of water. As such, whenever water is conserved, GHG emissions are avoided. Water efficient irrigation and high-efficiency fixtures are effective ways to conserve water. Examples of water efficient irrigation devices include rotating sprinkler nozzles and weather-based irrigation controllers. EMWD supports the use of auction proceeds to encourage water conservation.

The supply of water consumes a great deal of energy and is a great opportunity to reduce GHG emissions. Reducing the energy consumption of water agencies by promoting recycled water, biogas and water conservation will ultimately reduce GHG emissions and will likely result in savings that can be passed on to thousands of customers. We hope that CARB takes these issues into consideration and we are available to work with staff towards this end.

If you have any questions, please contact Casey Corliss at (951) 928-3777 ext. 4473 or [corlissc@emwd.org](mailto:corlissc@emwd.org).

Sincerely,

A handwritten signature in black ink, appearing to read "Jayne E. Joy".

Jayne E. Joy, P.E.

Director of Regulatory and Environmental Compliance

JJ/CC:tlg