

Association of California Water Agencies

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April 28, 2014

Mr. Michael Tollstrup, Chief Project Assessment Branch Air Resources Board 1001 "I" Street P. O. Box 2815 Sacramento, CA 95812

Subject: Proposed First Update to California's Climate Change Scoping Plan

Dear Mr. Tollstrup:

The Association of California Water Agencies (ACWA) appreciates this opportunity to comment on the Proposed First Update to California's Climate Change Scoping Plan (Proposed Update). ACWA represents nearly 430 public water agencies in California that collectively supply 90% of the water delivered in California for domestic, agricultural and industrial uses.

ACWA also appreciates the efforts of the Air Resources Board (ARB) to tackle climate change in a comprehensive way through ambitious actions that are designed to drive down greenhouse gas emissions. Climate change will have a dramatic impact on California's resources including water supply and quality. ACWA members continue to respond to these climate-related challenges by developing innovative local adaptation and mitigation strategies best suited for local conditions. Water agencies are playing a leadership role in shaping and implementing renewable energy and greenhouse gas reduction (GHG) programs, promoting water conservation measures, implementing water recycling projects and deploying cleaner fleets and fuels.

Discussion Draft Revisions

ACWA has noted and supports the revisions made to the groundwater management sections of the Proposed Update that address ACWA's prior concerns. On April 7, 2014, ACWA released its *Recommendations for Achieving Groundwater Sustainability.* This groundbreaking document calls for actions that will significantly improve groundwater management capabilities where they are deficient, accelerate the achievement of sustainability by local and regional entities, and guide

enhanced state support where needed.¹ Groundwater management is best implemented by local agencies with limited but key roles for the State Water Resources Control Board and the Department of Water Resources. ACWA is actively working with the Brown Administration in this area.

Proposed First Update

ACWA supports many of the key recommended actions for the water sector in the Proposed Update including the need for additional outreach and education related to water-energy conservation. However, ACWA is concerned with one of the recommendations in the accomplishments and next steps section of the Proposed Update.

In this section, the Proposed First Update to the Climate Change Scoping Plan states that:

Additional gains in water conservation, especially use reductions in both agricultural and urban landscape irrigation, are critical not only for meeting GHG emission reduction goals, but also for resilience to more frequent and severe droughts. Establishing a conservation-first policy for watersector investment and action would help to sustain declining per-capita usage. This policy would be similar to the State's "loading order" policy for energy, which prioritizes investments in energy efficiency ahead of developing new power supplies. The conservation-first policy could be implemented through legislation or joint-agency action. (The State's Energy Action Plan, for example, was jointly approved by the CEC, CPUC, and CAISO). (pg. 73)

ACWA is very concerned about this suggestion for a loading order policy for the water sector for investment and action. ACWA questions whether there is authority for such a policy under the Global Warming Solutions Act or other existing law. That said, ACWA agrees with the statement in the Brown Administration's California Water Action Plan that "conservation must become a way of life for everyone in California" and that water conservation and water use efficiency should be central elements of the state's strategy to enhance water supply reliability, restore ecosystems and respond to climate change.

ACWA included enhanced conservation and water-use efficiency efforts as a key component of its Statewide Water Action Plan (SWAP).² However, these activities are only one component of a broader set of strategies that are needed to address overall water supply reliability and ecosystem health in California. As such, it is not feasible for California water agencies to sequentially secure additional water supplies or develop a new water resource based solely upon the amount of its relative embedded energy. While water and energy utilities are closely connected in many ways, such as the application of integrated planning tools for future efforts, the concept of a preferred "loading order" does not directly translate from the energy sector to the water sector.

¹ <u>ACWA Recommendations for Achieving Groundwater Sustainability</u>

² <u>Statewide Water Action Plan</u>

As opposed to electricity, which a utility/generator can create or purchase when needed, successful water delivery is dependent upon the availability of the resource. Because this availability is driven by many factors, agencies often must utilize a diverse set of water sources to ensure a reliable water supply for their customers. The factors include geography, infrastructure and precipitation events that are outside the control of the local agencies.

In addition, a proposed "loading order" would only take into account the embedded energy in the water source. While that approach may be successful in the energy industry, water is unique to the source and the reasons affecting why one source is selected over another vary greatly. These factors include the distribution system, water pressure requirements, environmental regulations, water rights, water treatment, and reduced allocations in drought conditions. One water source may take less energy to deliver, but the cost and energy needed to remove chromium-6 or arsenic once it enters the distribution system may make that water cost-prohibitive for the agency and its customers.

In drought years such as 2014, many water agencies are working to secure any available water for their customers to comply with basic needs and options can be very limited. These sources may be energy-intensive like desalination or deep-well groundwater pumping but may also be the only options and water systems must have the flexibility to make these choices when necessary.

ACWA recognizes the important role of water-use efficiency and water conservation in the state's overall water supply portfolio. ACWA proudly serves as a partner with the California Department of Water Resources (DWR) on Save Our Water, the state's largest water conservation program. Save Our Water was launched in 2009 to help Californians permanently reduce their everyday water usage regardless of whether California is in a drought.

Local and regional water agencies have made significant multi-decade investments in water conservation and water use-efficiency activities and continue to do so under new state requirements. Additionally, many of the agencies pursue investments beyond the requirements in water recycling, stormwater capture and conjunctive use projects. As evidenced by the increasingly innovative ways that local agencies are meeting the needs of their systems and communities, these local agencies will continue to help the state meet the goals outlined in the Proposed Update. The state should respect and support these local programs, including through financial support for innovative GHG programs, rather than pursue a statewide "loading order" for water resource investments.

All parts of California are in drought. Water conservation plays a key role in the solution, but investments in other means of obtaining and managing a reliable water supply cannot be deterred. Public health and safety, our ecosystems and California agriculture depend on it.

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Based on this concern, ACWA recommends that ARB revise the language quoted above from page 73 with the following:

Additional gains in water conservation are critical not only for meeting GHG emission reduction goals, but also for resilience to more frequent and severe droughts. Many local agencies throughout California have invested in water conservation and water use-efficiency activities that adhere to new efficiency requirements and fit the needs of their local or regional water system and customers. The state should encourage and facilitate local water conservation investments by eliminating barriers to co-funding projects with water and energy benefits and expand and prioritize funding and technical support for water and wastewater agencies that achieve energy efficiency co-benefits and greenhouse gas reductions.³

ACWA appreciates ARB's consideration of our comments. Please feel free to contact me with questions at 916-441-4545 or <u>danielleb@acwa.com</u>.

Sincerely,

Danielle Blacet Special Projects Manager

Mr. Richard Corey, Executive Officer, Air Resources Board
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³ <u>California Water Action Plan</u>, pg. 5