



## THE CITY OF SAN DIEGO

December 14, 2015

Submitted electronically: <http://www.arb.ca.gov/lispub/comm2/bcsubform>

California Air Resources Board  
1001 I Street  
Sacramento, CA 95814

To Whom It May Concern:

### **Re: Revised Draft Cap-and-Trade Auction Proceeds Second Investment Plan**

Thank you for the opportunity to provide comments on the Revised Draft Cap-and-Trade Auction Proceeds Second Investment Plan (Draft Plan). The City of San Diego's Department of Public Utilities (City) commends the Air Resources Board (ARB) for its efforts to combat climate change by exploring ways to most efficiently and beneficially target the use of Greenhouse Gas Reduction Fund (GGRF) proceeds in California.

The City of San Diego's Public Utilities Department provides water services to the entire city, as well as wastewater services to the city and surrounding communities. The City submitted comments on the prior version of the Draft Second Investment Plan, conveying our support—and potential eligibility for funding—for the Plan's provisions regarding (1) reduced landfilling and possible re-direction and co-digestion of organic wastes at our wastewater treatment facilities, (2) beneficial use and reuse of both biosolids and biogas following that process, as well as (3) the acquisition and maintenance of forest and meadowland properties in order to protect water quality, prevent erosion and enhance carbon sequestration. We applaud the Revised Plan's expanded incorporation of these initiatives, and look forward to working with the ARB on specific programs in each area going forward.

In reviewing the Revised Draft Plan we have identified new areas of interest providing opportunities for the City to partner with the ARB in the future to help the state meet mid-term and long-term greenhouse gas (GHG) emissions reduction targets.

### **Decarbonizing the state's water supply**

San Diego—being at the 'end of the pipe' of the state's water distribution system—has continued to strive to identify new local sources of water to meet our ratepayers' needs. This effort to significantly reduce our city's dependence of imported Delta water has led to our development of the Pure Water San Diego program, a potable reuse project that by 2035 will produce one-third of the City's water supply through advanced treatment and beneficial reuse of wastewater. When the first phase of Pure Water is brought on-line, beginning in 2021, our need for imported water will be reduced by 15-30 million gallons per day, reducing the carbon footprint of our city's



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water supply portfolio as compared to imported water from Northern California. ***The City supports the allocation of funds to support local potable reuse projects that reduce demand for energy-intensive alternative water supplies.***

### **Support Renewable Energy Projects**

As the City expands its recycled and potable reuse programs, our beneficial reuse of the biogas produced in the wastewater treatment process will continue to grow, providing valuable renewable energy to the grid while also powering City PUD facilities. Moreover, if the City takes on hauled-in-organic wastes diverted from landfills for co-digestion in the City's digesters, as detailed in the prior Draft Plan and the City's first comment letter, this methane production, capture and reuse will increase even more dramatically.

In addition, San Diego is pursuing a number of renewable energy projects to be co-located with current water and wastewater facilities, including the use of solar panels at our pump stations and treatment facilities. We are also exploring the construction of a potential 500 megawatt pumped-storage facility at San Vicente reservoir with our project partners, the San Diego County Water Authority. This project would move water to an upper reservoir during non-peak periods so that it can then flow downhill between the reservoirs during peak periods, generating on-demand hydropower during peak energy demand periods. Finally, given that the city's service area is characterized by mesas and canyons, we are looking into the use of in-line turbines throughout the pipes in our system. These micro-turbines could yield energy harnessed from the normal flow in our pipelines. ***The City supports allocation of GGRF funds toward innovative renewable energy projects, including energy storage projects such as pumped storage, by water and wastewater agencies.***

### **Conclusion**

The City of San Diego has a long history of success in meeting the water and wastewater needs of its rapidly growing and diverse population while taking proactive steps to reduce greenhouse gas emissions and the climate change impacts of our system. We are proud of our record of stewardship, and we continue to do more to address the environmental impacts of our system. We produce renewable energy and our landmark Pure Water program will utilize cutting-edge technology and recycling to reduce San Diego's demand for carbon-intensive imported water supplies, producing up to one-third of our water supplies locally by 2035. We are thankful for the opportunity to comment on the Revised Draft Cap-and-Trade Auction Proceeds Second Investment Plan and look forward to continuing to work with the Board to reduce global change impacts in California.

If you have any questions, please feel free to contact me or Ms. Carolyn Ginno at (858) 654-4286.

Sincerely,



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CG/mle