CALIFORNIA
AMERICAN WATER

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Jeanine Townsend, Clerk to the Board
State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, CA 95814

Comment Deadline: Noon, 5/20/2008

Via email (commentletters@waterboards.ca.gov and fax (916 341-5620)
Re: Comment Letter- Once-Through Cooling Policy

To: Board Members

California American Water (CAW) hereby submits its comments on the State Water Resources Control Board's (State Water Board) Scoping Document: Water Quality Control Policy on the Use of Coastal and Estuarine Waters For Power Plant Cooling, March 2008.

CAW is an investor owned public water provider that is regulated by the California Public Utilities Commission (CPUC). CAW owns and operates public water systems serving 175,000 customers throughout California. CAW is acutely aware of the need for the State of California to quickly and cost-effectively augment the water supply needed by the citizens of the State. The ongoing drought and climate change have heightened concerns about California's water supply. The State Water Plan, prepared by the Department of Water Resources, recognizes desalination as a viable and much needed reliable, safe source of water. State policy supporting desalination is expressly recognized in the Porter-Cobey Saline Water Conversion Act.

One of the most cost-effective and environmentally benign sites for a desalination facility is co-location with an already existing coastal power plant that has once-through cooling facilities. There is no need to construct an intake or outfall, as they already exist. The typical design for such a desalination facility uses the power plant's cooling water after it has passed through the plant. This provides a temperature-stable source of supply of water without additional water coming through the intake. Warmer source water requires less energy for the reverse osmosis process. The power plant's discharged cooling water provides a means of diluting the brine water that is the by-product of the reverse osmosis desalination process. No additional water is needed. Co-location also typically provides access to electric power, the single largest cost component of operating a desalination facility.

The State Water Board's Draft Policy will cause the temporary or permanent loss of the coastal power plants and thereby remove the most cost-effective locations and means of providing desalinated water to many areas of California. Although each facility/location should be evaluated on a case-by-case basis, co-location eliminates the environmental effects of constructing a new intake and outfall, places the desalination facility on property that has already been put to industrial use; and reduces power consumption, thereby reducing any potential adverse effects on climate change and air quality.

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CAW understands that converting the coastal plants to wet or dry closed cycle cooling will require the retrofitted plants to have a reliable supply of suitable water for use in the closed cycle process. Estimates are the requirement will be a total of approximately 2 billion gallons per year of potable and/or recycled water. With our current water supply crises, it is doubtful that a sufficient supply of suitable water will be available. Using water for closed cooling will make it unavailable as drinking or irrigation water. So in addition to removing a safe, reliable new source of drinking water, this policy will take some of the existing supply of drinking water and put it to industrial use.

The environmental documentation for the Draft Policy does not adequately address the most obvious adverse environmental effects of the Draft Policy: increased carbon emissions that will make it more difficult for the State to meet the goals of AB 32 for decreased greenhouse gas emissions; increased emissions of criteria pollutants; increased emissions of particulate matter; and new emissions of pollutants from the "drift" created by the water vapor released from the cooling towers.

Last, but not least, CAW is currently mandated under the State Water Board's Order 95-10 to find a new source of water supply for its Monterey Peninsula service area. Many agencies have sought a new supply for the area for over 20 years. Every type of project, from large reservoirs on the Carmel River, to reservoirs away from the River to importation of water via pipeline have been explored. The CPUC determined in 2004 that the most technically feasible and cost-effective project is a desalination facility co-located with the Moss Landing Power Plant in Monterey County. CAW applied to the CPUC for a certificate of public convenience and necessity for such a project in June 2005 and the CPUC is currently preparing an EIR. The Draft Policy, if implemented, will gravely affect CAW's ability to cost-effectively implement a new water supply project for its customers on the Monterey Peninsula.

Thank you for the opportunity to comment.

Sincerely,

B. Kent Turner
President
for