THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Office of the General Manager

August 19, 2014

Ms. Felicia Marcus
Board Chair
State Water Resources Control Board
1001 I Street
Sacramento, CA 95814

Dear Ms. Marcus:

Draft Amendment to the Water Quality Control Plan for Ocean Waters
of California Addressing Desalination Facility Intakes and Brine Discharges

The purpose of this letter is to provide comments on the proposed draft desalination amendment for the Water Quality Control Plan for the Ocean Waters of California (Ocean Plan). The Metropolitan Water District of Southern California (Metropolitan) has participated in this regulatory process from the beginning and we applaud the State Water Resources Control Board (SWRCB) for conducting these proceedings in a participatory manner. We would like to acknowledge the Board and its staff for the extra time and effort spent engaging with the water industry and other stakeholders.

The Need for Desalination

Metropolitan is the primary water wholesaler for Southern California, serving our 26 Member Agencies within a 5,200 square mile service area. Metropolitan's mission is to provide our service area with reliable supplies of high-quality water to meet present and future needs in an environmentally and economically responsible way.

As the stewards of Southern California's water supply, Metropolitan and our member agency partners have spent the past 25 years investing in a robust, diversified water resource portfolio. In the process, our utilities have become statewide leaders in water conservation, wastewater recycling and groundwater recovery. Metropolitan's cumulative investments in innovative local supplies exceed $1 billion and include:

- $333 million for conservation programs,
- $331 million for recycled water projects,
- $118 million for groundwater recovery projects,
- $373 million for groundwater storage programs.

In addition, our member agencies have invested billions more. Metropolitan has also supported stringent requirements for water efficient appliances, and along with our member agencies we have pushed the envelope for recycled water use. Since 1991, these efforts have generated a cumulative 16.7 million acre feet of reduced demands and new supplies. Metropolitan is leveraging our region's investments in water use efficiency, local supplies and dry-year storage to manage the current drought's impacts on our region's 19 million residents and trillion dollar economy.

Metropolitan faces many challenges moving forward. Adapting to climate change and its potential impacts to surface and groundwater supplies is but one example. To ensure safe, reliable water supplies to our customers, our regional long-term portfolio accelerates conservation and recycling, and includes investments in complementary local supplies like desalination. It is imperative to our region that desalination remains a viable resource option.

Comments

Throughout this process, Metropolitan has stressed the need for science-based regulations that incorporate water agency studies and provide flexibility to accommodate project and site-specific conditions. These are reflected in the proposed regulations and we commend SWRCB staff for addressing our input. Metropolitan supports the flexible approach provided by the proposed regulations. This is especially true for intake determinations. Sub-surface intakes have been successfully employed for small to medium-sized projects – up to about 20 MGD – but are untested for projects capable of providing regional-scale supplies. The 50 MGD to 100+ MGD desalination projects in Australia and Israel all employ some form of open ocean intake. For regional-scale projects, the flexibility to consider wedge-wire screens and other technological solutions if sub-surface intakes are not feasible is critical. While wedge-wire screens have not been tested in large marine applications, studies performed by West Basin MWD and other water districts indicate they are both a viable option and protective of the environment. This flexible approach will be essential as water agencies incorporate desalination into future supply portfolios. We have additional comments, which are outlined below:

- **Project proponents should perform 13142.5(b) analyses:** The draft regulations require regional boards to perform 13142.5(b) analyses and make determinations regarding seawater desalination intake site, design, technology and mitigation based on information provided by project proponents. However, regional boards may lack the technical expertise and resources to perform 13142.5(b) analyses. After consulting with SWRCB staff during a recent stakeholder meeting, we understood that this provision would likely be implemented by having regional boards request that project proponents perform the necessary 13142.5(b) analyses. Regional boards would then review the analyses and make 13142.5(b) determinations in consultation with the SWRCB. Project proponents typically evaluate numerous alternatives during the development stage and will have the necessary technical expertise and resources to complete determination reports. We ask the Board to clarify that project proponents will perform the analysis and complete 13142.5(b) determination reports for the Regional Boards to review.

- **State agency coordination should be reinforced**: The draft regulations include provisions requiring regional boards to consult with other state agencies in making 13142.5(b) determinations. However, it is important to note that the regional boards would not be limited by any permit requirements imposed by these agencies. This potentially increases the permitting uncertainty facing project proponents, as different agencies could have conflicting permit requirements. It also could undermine the Ocean Protection Council's efforts to streamline the permitting process. We urge the Board to consider adding language that would require regional boards to harmonize their permit requirements with the State Lands Commission, Coastal Commission, and other state agencies with permitting authority over desalination projects.

- **Regional need determination is beyond the scope of the Ocean Plan:** Project size is not a factor in 13142.5(b) determinations. Yet, there is an inherent inconsistency as part of the siting analyses, which requires regional boards to make regional need and project capacity determinations for seawater desalination projects in relation to sub-surface intake feasibility. Developing long-term water needs analysis is typically the purview of local and regional water utilities, and project need and sizing options are considered in various water plans and studies long before permitting begins. During the CEQA environmental impact review process, project alternatives are also thoroughly evaluated. For these reasons, we request that this provision be removed from the proposed Ocean Plan amendments.

- **Growth projections and water resource plans are not circular:** During the August 6th workshop it was suggested that growth projections and water resource plans are circular: growth is used to justify water supplies and water supplies are used to justify growth. We would respectfully like to clarify this misinterpretation. In Southern California, water agencies typically base their resource plans on growth projections from cities, counties and Regional Council of Governments (COGs). For example, Metropolitan ties its resource plans on growth projections from the Southern California Association of Governments (SCAG) and San Diego Association of Governments (SANDAG) – the COGs covering our service area. SCAG and SANDAG generate growth projections using demographic models that consider births, deaths, immigration, the economy and land use. Also, the California Department of Housing and Community Development requires COGs to plan for new housing through periodic Regional Housing Needs Assessments (RHNA). The RHNA process allocates new housing development to COGs in order to accommodate the State's future population. Water supply is not a driving or enabling factor in COG growth models.

We congratulate the SWRCB and staff for developing regulations for desalination that balance the protection of the marine environment with the critical need for safe and reliable water supplies. We are open to and welcome discussions with your staff on these issues. Please contact Robert Harding of my staff at (213) 217-6582 or via e-mail at rharding@mwdh2o.com if you have any questions.

Very truly yours,

Deven N. Upadhyay
Manger, Water Resource Management

cc: Mr. Ron Davis
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