A PUBLIC AGENCY

201 Vallecitos de Oro * San Marcos, California * 92069-1453 Telephone (760)**744-0460**March 28, 2008

Chairman Richard Wright San Diego Regional Water Quality Control Board 9174 Sky Park Court, Suite 100 San Diego, CA 92123

RE: #R9-2006-0065, NPDES No. CA 0109223 - April 9th Agenda Item #7

Dear Chairman Wright:

The Vallecitos Water District (Vallecitos) is pleased to declare our strong support for the proposed Carlsbad Desalination Plant.

Vallecitos has been operating since 1995, and has provided water, wastewater, and reclamation services to San Marcos, the community of Lake San Marcos and parts of Carlsbad, Escondido, and Vista. We currently serve a population of 80,650 and distribute approximately 17,000 acre-feet each year.

Like most of San Diego, Vallecitos relies heavily on imported water supplies that have grown increasingly threatened by drought conditions and environmental regulations. The District has always advocated a comprehensive conservation program which includes customer education and services like home water-use surveys, incentive voucher programs, workshops, a video/book lending library, landscape audits and an agricultural water management program.

However, with the recent federal ruling regarding the State Water Project, the situation in our region has become even more desperate. Regional water managers are forecasting as much as one-third to one-half of the water pumped from the Sacramento San Joaquin Bay Delta to Southern California could be cut off in the next year. In searching for an environmentally sound, cost-effective and drought-proof solution to our water shortages, our Board has turned to seawater desalination as the most viable, timely option.

They unanimously approved a Water Purchase Agreement with Poseidon Resources to purchase 7,500 AFY which will replace approximately 44% of the water we now import. Water from the Carlsbad desalination plant will provide the District's ratepayers with a drought-proof supply that helps mitigate the impact of cuts to our imported water supply. We have joined seven other public agencies that have all contracted to buy water from Poseidon. Together, we have fully subscribed the total 50-million-gallon-per-day the plant can produce.

We have thoroughly reviewed the project's Flow, Entrainment and Impingement Minimization Plan and have determined that this plan meets the Regional Board's requirement that Poseidon assess the feasibility of the site, design, technology, and mitigation measures to minimize impacts to marine life.

We believe that this project presents the best most environmentally expedient opportunity for siting a desalination facility in San Diego. The research that has been done verifies that the environmental impacts will be minor at this site, with or without the Encina Power Plant. Poseidon Resources has made every effort to mitigate even minor impacts and has committed to restoring 37 acres of wetland habitat, dedicating 15 acres for public access, recreation and marine research, and providing maintenance to the lagoon itself after the power plant is taken off line. These are major commitments that confirm the ecological benefits of the project.

Poseidon Resources has proposed a project that is urgently needed as evident by the broad support from public water agencies like ours. Please finalize their permit application and bring our region one step closer to solving our water crisis.

Sincerely,

Timothy M. Shell, President

Board of Directors

Vallecitos Water District

CC:

David King, Vice Chairman
Susan Ritschel, Board Member
Eric Anderson, Board Member
Wayne Rayfield, Board Member
Elizabeth Pearson-Schneider, Board Member
Kris Weber, Board Member
John Robertus, Executive Director
Eric Becker
Michael McCann
John Odermatt

Mr. Affell