

THE CITY OF SAN DIEGO

By Electronic Transmittal to: 2020comments@waterboards.ca.gov

May 22, 2009

20x2020 Agency Team
Department of Water Resources
1416 Ninth Street
P. O. Box 94236
Sacramento, CA 94236

Dear 20x2020 Agency Team:

The City of San Diego's Water Department (Water Department) has reviewed the draft 20x2020 Water Conservation Plan and appreciates this opportunity to submit comments.

The City of San Diego supports the Governor's statewide goal to reduce per capita water use by 20 percent by 2020 as part of a comprehensive strategy to ensure future water supply reliability for all Californians. As California's second largest city, currently importing up to 90% of its drinking water supplies, San Diego understands the importance of using our water supplies wisely. We further understand the vulnerability of our imported water supplies and wish to implement every cost-effective measure available to us to improve reliability. Our rate forecasts indicate that the cost of imported water supplies may double within six years to \$1,400 an acrefoot for treated water. As such, we believe water conservation will become even of even greater concern to our ratepayers as they grapple with maintaining affordability.

The Water Department has been a champion of water conservation programs since it became a charter member of the California Urban Water Conservation Council (CUWCC) in 1991. During this time, the Water Department has invested tens of millions of dollars in CUWCC Best Management Practices in San Diego. We maintain full-time staff available to perform residential, commercial, and large-landscape audits. We have invested in two wastewater recycling facilities with a treatment capacity of 45 million gallons per day and are embarking upon a demonstration project for indirect potable reuse.

As our region enters a drought, we are investing additional funds in a major marketing campaign entitled, "*No Time to Waste*, *No Water to Waste*" that will broadcast this important message across all media. Embedded in this message is the concept that water conservation must be a way of life for San Diegans – not just a short-term response to the drought.



Page 2 20x2020 Agency Team May 22, 2009

Please consider the following comments on the draft 20x2020 plan within the context of the Water Department's sincere commitment to ongoing water conservation.

CII Sector should be treated the same as the Agricultural Sector. The Department of Water Resources believes that because the Governor's goal was stated as a "gallons-per-capita" metric, that the 20x2020 conservation goals should not pertain to the agricultural sector. The same logic applies to the Commercial, Industrial and Institutional (CII) sectors which similarly base their water consumption on demand for product rather than efficiencies per capita. The business community is highly aware of the cost of water and has been an early adopter of water recycling and other important conservation techniques and technologies to reduce the cost of their operations and contribute towards water supply reliability. Either the CII sector should be removed from this analysis or else the Agricultural Sector should be added in. Agriculture uses more than 80 percent of the water diverted from streams or pumped from groundwater while urban areas use only 20 percent. Our preference is that the Agricultural sector be included.

Recycled Water should be considered as a Conservation Measure. As stated in the draft plan, the calculation of baseline demands does not include non-potable demands. The Water Department disagrees with this approach as it does not accurately represent total demands for water. Were it not for the non-potable water offsets, the demand for water would still need to be met by potable supplies. This becomes especially true with indirect and direct potable reuse which effectively converts non-potable supplies to potable. The use of recycled water for either potable or non-potable supplies is one of the most viable conservation opportunities available to the City of San Diego and has been largely supported by diverse stakeholder groups including environmentalists and the business community. We strongly urge the Department of Water Resources (DWR) to include recycled water in its calculation of baseline demands and as a legitimate conservation measure. DWR does not adequately address in the draft plan how it will account for potable reuse of wastewater. It should be considered a conservation measure.

Firmly Oppose Public Goods Charge. As mentioned earlier, the rate forecast for the Water Department's imported water supplies is expected to increase radically in the near future. Our ratepayers will be faced with unprecedented cost increases for water – creating a real affordability crisis for homes and businesses in Southern California, especially given the current economic situation. The last thing needed at this time is an arbitrary extra fee. Our rates have included funding for water conservation programs since 1991. It is understood that conservation is one of our cheapest supply sources.

Allow Water Conservation Program Flexibility. The CUWCC's reporting mechanisms allow for greater and greater flexibility with conservation program design and reporting. The Water Department agrees with this approach especially now as Southern California embraces new landuse planning approaches (SB 375) and air quality programs (AB 32). Additionally, Integrated Regional Water Management Planning plays an important role in regional water conservation program design and funding. Water agencies should be encouraged to design whatever programs work for them. Prescriptive approaches can be limiting.

Page 3 20x2020 Agency Team May 22, 2009

Call for Comprehensive Solutions. As mentioned earlier, the Water Department imports up to 90% of its water supplies. Conservation does not offer San Diego complete water supply reliability strategy, especially as increased population growth is expected. Since 1989, San Diego has added over 250,000 people to its population and been able to maintain water demands at 1989 levels. We are proud of our conservation accomplishments. However, our responsibility to our ratepayers must include the development of alternative water supplies and improving the reliability of existing supplies. We know that the DWR shares this understanding as its Water Plan includes a complete repertoire of management strategies for accomplishing water supply reliability. The 20x2020 Plan would benefit from a clear acknowledgement that conservation is but one part of a comprehensive plan for statewide water supply reliability.

On behalf of the City of San Diego's Water Department, I would like to thank the Department of Water Resources for this opportunity to comment on the DWR's draft 20x2020 Plan. If you have any questions, please feel free to contact me at (619) 533-4112 or msteirer@sandiego.gov.

Sincerely,

Marsi Steirer

Deputy Water Department Director

MS/ccp