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**CalDesal Regulatory Committee Meeting Notes**

**Wednesday, January 22, 2020**

**2:00-3:00 p.m.**

**Members present:**

Kevin Thomas, Kimley-Horn, (Chair)

Eric Miller, Miller Marine Science and Consulting

Tim Hogan, TWB-ERC

Mark Donovan, GHD

Charles Busslinger, Municipal Water District of Orange County

Uzi Daniel, West Basin Municipal Water District

Warren Teitz, Metropolitan Water District

Jeremy Crutchfield, San Diego County Water Authority

Hannah Ake, Metropolitan Water District

**Guests:** Tonianne Pezzetti, Department of Water Resources and Wendy Ridderbusch, Executive Director

The meeting began with ED Wendy Ridderbusch thanking folks for donating their time and subject matter expertise to be part of the reconstituted CalDesal Regulatory Committee which is continuing to be Chaired by Kevin Thomas. The goals for the committee will continue to be getting on record with comment letters and testifying with state agencies, collaborating with other statewide organizations where feasible and appropriate, and working with the new CalDesal Outreach Communications Committee to proactively communicate and educate on behalf of brackish and marine desalination and salinity management as credible third-party subject matter experts. CalDesal wants to get out proactively as an association with an affirmatively positive tone, stating the case for desalination and salinity management in simple, straightforward language. CalDesal needs to showcase the success of recent projects as well as champion future projects offensively, rather than defensively.

Wendy then introduced the guest speaker Tonianne Pezzetti with DWR for a short presentation to the Committee. Tonianne will be briefly speaking at the upcoming CalDesal Annual Conference about desal funding. Wendy Ridderbusch asked her to speak to the Regulatory Committee Members in advance as a preview.

DWR would like to have some desalination funding in the proposed Climate Resiliency Bonds.

Tonianne discussed the possible climate resiliency general obligation bond that may be placed onto the November 2020 general election statewide ballot. The bond would be placed on the ballot from state legislation. She shared that she did not see any funds for desalination currently in Senate Bill 45 (Allen) which proposes $4.2 billion nor in the Governor’s proposed Climate Resiliency Bond described in his January State Budget Proposal of $4.75 billion. She stated that DWR was hoping for $100 million dollars to be placed into that bond for desalination projects.

Status of Current G.O. Bond Funding.

Tonianne informed the committee that Proposition 1 desal funds have been fully appropriated. However, there are still some funds in the Proposition 50 bucket. Approximately $600,000 will be released on July 1, 2020 using the same continuous application process that DWR has utilized for past projects funded from these bond measures. She also reminded folks that one year later, on July 1, 2021, a couple million dollars will also be released for desal projects.

2020 Desal Survey

DWR would like to understand how much desalinated water is being produced by ocean and brackish groundwater. Beginning sometime around April they will contact folks and get actual numbers and capacity. DWR also would like to improve its data collection in the Urban Water Management Plans they are looking to be more specific in their questions towards desalination which previously had been more general.

Lawrence Berkeley National Laboratory

DWR is a partner in the project. They are going to be directing any interest in research through that forum rather than DWR directly funding it.

Wendy turned the meeting back over to Chair Kevin Thomas. Kevin engaged the committee in discussion on the following items:

Governor Newsom’s 2020 Water Resilience Portfolio

The Committee gave the following feedback to inform and help draft CalDesal’s comment letter:

* The nexus could be made stronger recognizing desal as one method to diversify water supplies in this document. We may want to point out that desal projects could relieve some of the pressure on riverine habitats and wildlife that are severely impacted with threatened and endangered species. We could emphasize that we could protect the environment more by transitioning some of that water draw to offshore versus using existing water resources. The portfolio needs to draw a better nexus between desal and all the things the state wants to accomplish in water.
* On page 108 there is a table that compares regional vulnerability indicators. For the south coast area they are indicating that drought readiness from a vulnerability standpoint is listed as a one, or least vulnerable. Wondering how that fits in when the state goes to allocating resources particularly in regards to drought readiness if they are going to basically be saying that *“We don’t have a problem.”* Based on planning documents this is not an accurate representation. Particularly when we are looking at what’s going on with the WaterFix and the continual reduction in the amount of water that can be shipped south, climate change aspects going on in the Colorado River basin as far as evaporo-transpiration increases, not to mention uncertainty about how much rainfall we will get in the future. This kind of assessment may lead to an incorrect view along the lines of, “*You guys are fine. You don’t need anything, you don’t need desal, you don’t need the WaterFix you are just all fine.”* Also concern was expressed about the criteria and methodology used. The criteria used was the percentage of people who are covered by a water shortage contingency plan. Is that the correct method of ascertaining whether someone is vulnerable to drought?
* This portfolio draft punts on desal. In the actions called for on page 19. There are three of them *“cost effective and environmentally appropriate”* The portfolio draft calls for local determination and that one size does not fit all. This language is inconsistent. Maybe using the phrase *“Locally* *determined”* as opposed to “*environmentally appropriate.”* There is no definition of environmentally appropriate in current law. In 6.1 *“Existing state criteria”* has nothing to do with local or regional need. This language is neutral to hostile.
* 6.1 provides no benefit to the document -- It doesn’t incentivize anything. It doesn’t help the development of a local resource. This is language that opponents would use to oppose a project, rather than support diversification of a water portfolio.
* Quantitatively looking at the entire state as an actual water portfolio that is resilient to risk, drought, climate change, how much print space did desalination get? It is incredibly small in the totality of the report, with just a few mentions. It is not precluded, but it is not highlighted, or explained, that desal is an unlimited resource on the coast, that it is hydrologically independent, you can’t conserve what you don’t have.
* Brackish groundwater desalination has been this secret success in California. There is nothing in here about new brine lines enable inland desalination plants, can help with new potable reuse plants.
* 6.2 in the last part of the sentence it says, *“and reduce environmental impacts in non-traditional* *water sources”* Sounds like they are holding desal to a higher standard than any other water supply for resiliency in this program.
* Looking at all the goals that the state has for water resilience and wondering if identifying how many of those that desal can address or has the ability to address like constraints on freshwater resources, and protecting threatened and endangered species. Desalination directly addresses a number of the state’s priorities and it’s not really clear that it does it in the way that this is currently drafted.
* On page 6 when they go through the seven principles like innovation and technology -- that is desal in a nutshell. All of these principles CalDesal touches in one way or another. Successful approaches in other parts of the world like Israel and Perth, Australia.
* It seems to single out desal as needing to be cost effective but does not hold recycled water or storm water use to that same threshold. We need to look at getting that removed from the section. If not, then it should apply equally to other alternatives.
* Water recycling should be allowed/practical only when the community can demonstrate a long term source of supply water. We should not build water reuse plants unless we know source water will be available for 30 years. We should not assume the source water that is available in 2020 will be available in 2050.

Wendy will take a stab at writing the first letter draft and then send it out to the committee for final feedback. Then the letter will travel to the State Legislative Committee meeting on Monday, January 27th for their input. CalDesal will then submit the comment letter by the February 7th deadline.

Ocean Plan Amendments Update

The Committee is going to be tracking any movement on this and we will discuss fully during the February meeting.

Federal Water Infrastructure Legislation

Current Congressman, and former State Assemblyman, Jared Huffman is introducing a new water infrastructure bill that does include some money for desal language. It is entitled The Future Drought Resiliency Act. There is $260 million dollars for seawater desalination projects. It does include a lot of the same environmentally-focused ocean plan language that many CalDesal members found alarming. We should have this on our radar screen.

Project Permitting Updates

It was mentioned that West Basin had a lawsuit filed against their El Segundo project. A question was also asked about progress of the modification of the Carlsbad plant. SDCWA has started their transition to standalone operations and the first package is in construction right now and that will be replacing the clean water pumps that were part of the power generation with their own dilution pumps that will generate the flow of water that they need solely for desal operations. The contractor just started work this month and they will be done by June with this package that will allow decommissioning and demolition of the power facility. This doesn’t have anything to do with screening that will be phase three. That will start probably in the next couple of years and they will be initiating their pilot screen intake program to look at the vertical screens and different operations and maintenance and mechanisms and technologies to determine how they want to build a full scale screen component in the lagoon. SDCWA is partnering with MWD who is providing some grant funding on this project.

Tim Hogan is part of a presentation at the upcoming conference on the intake evaluation process from beginning to end and how we got to where we are with the current design that constitutes the modification and more detail about the pilot project.

Upcoming Regulatory Activity

* The Trump Administration is proposing substantial changes in NEPA if implemented would be this fall which would have an effect on NEPA requirements for federal funding.
* Ocean Protection Council – They are updating their strategic plan. They had a blurb on desal that was not a good one. MWD submitted a letter. This is their 2025 Strategic Plan.
* HB desal project hearing is scheduled for April 3rd.

Next Regulatory Committee Meeting: **February 26, 2020 at 2:00 p.m.**

**Adjourned by Chair Thomas at 2:54 p.m.**