



Association of California Water Agencies

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Sent via ELECTRONIC MAIL to DWR_IRWM@water.ca.gov

May 23, 2016

Ms. Leslie Pierce
Senior Environmental Scientist
Division of Integrated Regional Water Management
Financial Assistance Branch
Post Office Box 942836
Sacramento, CA 94236

**Re: Department of Water Resources Draft 2016 Water-Energy Grant Program
Guidelines and Proposal Solicitation Package**

Dear Ms. Pierce:

The Association of California Water Agencies (“ACWA”) appreciates having the opportunity to provide comments to the Department of Water Resources (“DWR”) on the Draft 2016 Water-Energy Grant (“WEG”) Program Guidelines and Proposal Solicitation Package (“Draft Guidelines”). ACWA’s nearly 430 public water agency members collectively supply approximately 90% of the water delivered for domestic, agricultural and industrial uses in California, and a number of ACWA members have received WEGs in the past. ACWA members are strongly interested in any voluntary programs that incentivize projects that save water, energy, and GHG emissions.

ACWA member agencies are concerned that as the Draft Guidelines are currently written, funds will be restricted to such a limited number of eligible projects that the opportunities for ACWA members to apply for grant funding will be very limited. ACWA understands that the proposed limitations on eligible technology are tied to the draft GHG quantification methodology developed by the Air Resources Board (“ARB”) to support the WEG program. ACWA encourages the DWR to work with ARB to develop a GHG quantification methodology that will support a broader array of possible water-energy savings projects.

There are a number of examples of different GHG quantification methodologies that support water and energy savings technologies beyond those listed in the Draft Guidelines. One example is the ARB's Quantification Methodology for the California Department of Food and Agriculture State Water Efficiency and Enhancement Program. This methodology quantifies GHG emissions associated with pump and motor enhancement and/or replacement, irrigation system enhancement, and fuel conversion. ACWA believes that a very similar quantification methodology could support pump and motor enhancement and/or replacement in municipal water systems, as well as programs such as leak detection and advanced metering infrastructure installation that would result in water and energy savings similar to those achieved by advanced irrigation.

Another example of a GHG quantification methodology targeted at water-energy programs is The Climate Registry's ("TCR's") Water-Energy GHG Guidance. This guidance outlines a GHG reporting protocol for water suppliers in Southern California. While the guidance is specific to the Southern California region, the general TCR reporting protocol upon which this guidance is based has been in place since 2008, and is used internationally as one of several accepted, standardized methods for GHG reporting. This guidance could be adapted by the ARB to develop a quantification methodology that would support water and energy saving programs beyond those currently listed as eligible for funding in the Draft Guidelines.

ACWA would also like to encourage DWR to develop a "custom program" that would allow WEG applicants to apply for commercial and institutional water and energy savings opportunities that are not currently listed in the Draft Guidelines. Examples of potential custom programs include process improvements in institutions such as hospitals and commercial establishments such as breweries. A custom program option would also allow devices such as cooling towers, which are not on the current device list, to be eligible for WEG funding. Having a custom option increases the possibility for innovative proposals to be explored. In absence of an alternative GHG quantification method, ARB could adapt the current method for use in the required GHG calculator.

ACWA looks forward to continuing to work with the DWR on water and energy savings efforts. Please do not hesitate to contact me if you would like to discuss these comments in further detail.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Rebecca Franklin', with a stylized flourish at the end.

Rebecca Franklin
Regulatory Advocate

