



## **PACIFIC COAST RENDERING**

## **CA WHAREHOUSE ASSOC.**



California Department of Water Resources  
Division of Integrated Regional Water Management  
Financial Assistance Branch  
Post Office Box 942836  
Sacramento, CA 94236

**VIA ELECTRONIC MAIL ONLY**

Attn: Leslie Piece

[DWR\\_IRWM@water.ca.gov](mailto:DWR_IRWM@water.ca.gov)

RE: Draft 2016 Water-Energy Grant Program Guidelines and PSP

Dear Ms. Pierce:

On behalf of the food processing and manufacturing industry, we applaud the Department of Water Resources, State Water Resources Control Board and the Governor's leadership on navigating much needed solutions and resources in a time of crippling drought. We appreciate the Legislature and Governor prioritizing funding for commercial, industrial and institutional (CII) water users, and appreciate the recognition of the economic importance and value that such users have to the vitality of our state.

The industrial sector is a major source of state employment, income, and tax revenue. The food processing industry alone is an \$82 billion industry and provides almost 200,000 jobs. Manufacturing as a whole employs 1.2 million workers and provides \$230 billion in gross state product to California each year.

The industrial sector has made great strides already in investing in water efficiency projects and has worked closely with local water districts and communities to help meet conservation goals. However, as water, agriculture, energy and labor costs rise, it is becoming much more difficult for food manufacturers to make extensive capital investments to achieve water saving upgrades in their facilities. Water is critically important to the viability of the industrial sector as it is essential for many processes in facilities, including sanitation, food safety, product ingredients, product conveyance, and thermal processing. Each facility is unique and therefore appreciates the flexibility to consider many different water efficiency options when considering cost effective water saving technologies.

While the CII Sector constitutes 30% of urban water use, is a significant contributor to the state's Greenhouse Gas Reduction Fund, and is the subject of an entire task force dedicated to best management practices, until this funding was approved by the legislature and Governor in 2015, there was no fund dedicated to providing funding to implement the recommendations of the 2013 task force.

This being said, the food manufacturing industry was disappointed to see DWR's current Water-Energy Grant Program guidelines and proposal solicitation package is not inclusive of a sector that needs to be able to take advantage of such funding opportunities to implement water efficiency projects. The Grant Program Guidelines include the following terms:

*“Commercial means light industry and light or non-manufacturing business establishments that provide or distribute a product or service. Institutional means any water-using establishments dedicated to public service. This could be higher education institutions, schools, courts, hospitals, government facilities and non-profit research institutions.*

*To be eligible for 2016 Water-Energy grant funding, proposals must implement commercial or institutional water-efficiency projects or programs.”*

With the current definition as is, we do not believe the industrial and food processing industry is eligible to take advantage of the funding we so desperately need and for which we advocated the legislature. For example, the industry will not have funding to take advantage of projects to increase wastewater management through anaerobic contact treatment, install metering and monitoring systems, incorporate evaporation technology, increase recycling through better filtration, add precision or low flow water application, and purchase new boilers that have the latest energy efficiency technology.

Lastly, with the SWRCB and the Administration coming out this year with long term and permanent conservation mandates for urban water users, it is now even more essential the food processing industry be able to utilize innovative technologies that will further allow the sector to make energy and water conservation investments. The food processing industry is in a unique situation, as water use is essential to food production safety, and without updates in technology and water efficiency measures, the possibility of facility closures and subsequent job loss in California's most disadvantaged communities is certain.

**We urge the Department of Water Resources to expand the definition of eligible participants to explicitly include food processing facilities to apply for funding. The expansion to this critical industry will result in further greenhouse gas emission reductions and help the state save our precious water resources.**

Thank you for your consideration and dedication in helping ensure Californians have clean air to breathe, fresh water to drink and safe, California grown food to eat.

Sincerely,



Emily Rooney  
Agricultural Council



Debbie Murdock  
Association of California Egg Farmers



Trudi Hughes  
California League of Food Processing



Ann Quinn  
California Warehouse Association



John Hewitt, Grocery Manufacturers  
Association



Pacific Coast Rendering Association



Chris Zanobini, California Grain & Feed  
Association