Los Angeles LADWP Department of Water & Power

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May 23, 2016

Ms. Leslie Pierce
Department of Water Resources
IRWM – Financial Assistance Branch
P.O. Box 942836
Sacramento, California 94236-0001

Dear Ms. Pierce:

Subject: Comments on Draft 2016 Water-Energy Grant Program Guidelines and Proposal Solicitation Package

The Los Angeles Department of Water and Power (LADWP) would like to express appreciation to the California Department of Water Resources (DWR) for the thoughtful development of draft 2016 Water-Energy Grant Program Guidelines and Proposal Solicitation Package. The $19 million provided for this program could provide significant support for commercial and institutional water efficiency programs that also reduce greenhouse gas (GHG) emissions.

The City of Los Angeles (City) is working diligently to reduce its reliance on imported water supplies. This effort consists of a number of strategies, including on-going efforts to promote the use of water-efficient devices and California friendly landscaping. Water use efficiency improvements have become increasingly critical as California endures multi-year dry conditions and as climate change threatens to permanently alter the State's hydrologic patterns.

The draft guidelines for the 2016 Water-Energy Grant Program were released on April 11, 2016 and reviewed by LADWP staff. LADWP staff participated in the live webcast via the California Environmental Protection Agency website on May 11, 2016, and also attended the public workshop in Riverside on May 16, 2016. LADWP's comments based on the discussion at these workshops and staff review of the draft guidelines are provided below.

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Introduction

Section I of the draft guidelines limits funding to projects that focus on commercial and institutional water use. Residential projects are not eligible for funding in this round. The residential sector has received recent funding through various Proposition 1 programs which include the 2014 Water-Energy Grant Program. Funding priorities for this grant are shifting to the commercial and institutional sector. LADWP is supportive of this approach and believes that there is a significant potential for water savings in the commercial and institutional customer sector. This program would help fill a significant funding gap currently existing in these customer sectors.

Eligibility Requirements

Section III of the draft guidelines lists eligible project measures that will be considered for funding. DWR has restricted eligible project measures to a narrow list of upgrades related to hot water use. LADWP recommends broadening the list to include urinals, toilets and cooling towers. The addition of these three measures would provide significant water savings for commercial and institutional customers. Energy use and GHG reductions for the cold-water upgrades would be realized through embedded energy attributed to importing, moving, and treating water.

Additionally, water loss audits and prevention measures could provide a significant opportunity to achieve water savings for commercial and institutional customers. LADWP suggests adding water loss reduction audits and prevention to the list of eligible project measures.

Review and Evaluation Process

Section VII of the draft guidelines lists the review criteria. The LADWP suspects that a significant effort will be required for institutions to identify and prioritize potential water use efficiency upgrades. Audits will help ensure that funding is spent on the most cost-effective improvements first and help institutions develop a plan to continue to replace equipment to save additional water and energy. The audit and resulting plan would benefit the customer and would provide long-term value. LADWP recommends that DWR account for planning-related benefits by awarding applicants with additional points/credits in the application for providing a defined planning deliverable.

Air Resources Board (ARB) Greenhouse Gas Quantification Methodology and Calculator

LADWP has reviewed and tested the calculator, and noted that the faucet portion in the "input" tab asks for "Number of Employees and Guests". Please provide clarification on the definition of an employee and guest.

On behalf of LADWP, I thank DWR for this opportunity to comment on the draft guidelines. If you have any questions or require additional information, please contact me at (213) 367-0899, or Ms. Penny Falcon, Manager of Water Conservation Policy, Legislation and Grants, at (213)367-4647.

Sincerely,

David R. Pettijohn
Director of Water Resources

PF:yrg
By e-mail
c: Ms. Penny Falcon