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September 7, 2011

Honorable John Laird, Secretary, the Natural Resources Agency and Chair, Ocean Protection Council 1416 Ninth Street, Suite 1311 Sacramento, CA 95814

SUBJECT: Draft OPC Strategic Action Plan Recommended Amendments

Dear Secretary Laird:

Speaking solely as the Director of the Santa Cruz Water Department and the Project Manager for the City's Desalination Project, I want to commend the Ocean Protection Council (OPC) staff for an ambitious draft Strategic Action Plan for 2012-2017 dated August 1, 2011, congratulate them for a very inclusive and open process, and then to ask for some consideration of changes to Issue 9 regarding desalination.

My concern is mainly with Action 9.2.1, which establishes an OPC measure of success that states: "Take appropriate actions to underscore the need for desalination facility intakes to be consistent with the SWRCB's May 2010 executive order and the OPC's 2006 Resolution to phase out OTC technology." I think it is very important to recognize the OTC policy does not apply to desalination and there are significant operational characteristics that warrant differentiating desalination from OTC. I would recommend that Action 9.2.1 and most of its content should be deleted and replaced with direction for the OPC to submit input into the development of the SWRCB's pending desalination policy.

Of particular concern to me is the premise that Desalination intake facilities categorically should not be allowed because of impacts to marine life. The proposed policy states: "Position adopted of no open-ocean intakes for ocean desalination facilities and no co-location of ocean desalination facilities using OTC."

I would submit that here in Santa Cruz, and many of my colleagues around the State, have done a lot of work to demonstrate ways in which intakes can indeed be designed to adequately mitigate harm to the marine environment. I would strongly suggest that the science and technology does not support a position that no open-ocean intakes should be allowed. I would encourage the OPC not to favor one intake technology over another but rather, recognize the goal of adequate ocean/marine life protection that allows for the selection of the best technology for each desalination project dependent on a number of site specific factors. The area's need for additional

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supplies will drive the location and size of the project. Site specific issues may well limit the type of intake that can be used and if a local agency can demonstrate adequate ocean/marine protection, it should not be pre-empted from demonstrating that to regulators. I would hope that the OPC would raise the issue of impingement and entrainment with regard to intakes and impacts on marine protection without concluding which designs should and should not be allowed.

Finally, I would like to discourage the OPC from pursuing one of the strategies found in the first metric for Action 9.1.1.that would have the OPC staff doing cost- benefit analysis of desalination compared with other water supply options. As you know, the City of Santa Cruz has worked for 25 years to craft an Integrated Water Plan that relies first on conservation and curtailment and last on a modest supply augmentation using seawater desalination. While I understand there may be agencies across the State that appear to some to have not exhausted other lower cost or more environmentally superior options, I would submit that it not the norm and the OPC staff is likely not in a good position to make those judgments. I would hope that such judgments come from the citizenry of each water agency and are thoroughly vetted in the CEQA process.

As the Chair of the Ocean Protection Council I'm sure you are pleased with the inclusive nature of this strategic planning process and I thank you for the opportunity to provide comments.

Sincerely,

Bill Kocher, Water Director City of Santa Cruz

cc: Amber Mace, PhD, Executive Director, Ocean Protection Council Ron Davis, CalDesal Executive Director

Amendment No. 1

Delete the last three sentences in the second full paragraph of page 35 to state:

Per the SWRCB's May 2010 policy to phase out OTC at most coastal power plants, most of the se cooling systems are scheduled to be decommissioned over the next decade. Therefore, state guidance on siting and design considerations (e.g., alternative intake systems such as subsurface intake methods, improved screening methods, etc. should be consistent with the SWRCB's May 2010 policy and should focus on technologies that can have minimal impact.

Amendment No. 2

Delete all of Action 9.2.1 on Page 36:

Action 9.2.1: Take appropriate action to underscore need for desalination facility intakes to be consistent with the SWRCB's May 2010 executive order and the OPC's 2006 Resolution to phase out OTC technology.

Metrics (measures of the OPC's Actions):

<u>OPC input into development of the SWRCB's pending desalination policy.</u>

Metrics (measures of effectiveness)

- Position adopted of no open ocean intakes for ocean desalination facilities, and nolocation of ocean desalination facilities with facilities using OTC.
- <u>State's position reflected in the SWRCB's Desalination Policy.</u>

And insert the following to state:

Action 9.2.1: Provide OPC input into development of the SWRCB's pending desalination policy.

Amendment No. 3

Delete the first metric under Action 9.1.1 on page 35 to state:

• Regional contexts (costs and benefits of desalination compared with other water supply options; alternative water supply options) analyzed.