



Bay Area Regional Water Recycling Program

Developing a regional partnership to maximize Bay Area water recycling.

June 30, 1998

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Mr. Rick Breitenbach
CALFED Bay-Delta Program
1416 Ninth Street, Ste. 1155
Sacramento, CA 95814

Subject: Comments on Draft Programmatic EIS/EIR

Dear Mr. Breitenbach:

The Bay Area Regional Water Recycling Program (BARWRP) appreciates the opportunity to comment on CALFED's Draft Programmatic EIS/EIR. Our program is a consortium of 17 Bay Area water and wastewater agencies, the California Department of Water Resources, and the U.S. Bureau of Reclamation. The mission of BARWRP is to "Develop a regional partnership to maximize Bay Area water recycling." We are currently in the process of developing, screening, and evaluating local and regional alternatives for recycled water use in and around the Bay Area. An interim status report will be released this fall; a draft water recycling master plan for the Bay Area will be released for public review in the spring of 1999. Tentative findings from BARWRP studies include the following major points:

- The potential market for recycled water use in the Bay Area may be two to three times greater than the figure that was previously derived by adding projections from local agency master plans. The total recommended recycled water projected by the years 2010 and 2040 will be presented in the draft BARWRP Master Plan.
- Despite typically high capital costs, life cycle costs of recycled water projects are expected to compare favorably to many alternative new sources of water when total costs of delivery (including water rights, transmission, treatment, storage, and distribution costs) are assessed and when the value of associated benefits (including watershed and other environmental benefits and regional economic benefits) are subtracted from project costs to obtain a "net" water supply cost. BARWRP is in the process of developing an evaluation decision model (EDM) to assess overall feasibility of recycled water projects and to allocate costs to the appropriate agencies and users benefiting from project implementation.
- Innovative approaches to project implementation can significantly increase the feasibility of recycled water use. Such approaches include: 1) Serving users from the closest recycled water source regardless of jurisdictional boundaries, 2) Promoting application of highest quality water to highest uses through trading of recycled and potable supplies, and 3)

1111 Broadway, Suite 1200, Oakland, CA 94607-4046 · P.O. Box 12681, Oakland, CA 94604-2681
Project Voicemail: 510.251.2888 x3402 · Reception: 510.251.2426 · Fax: 510.893.8205 · www.recyclewater.com

A cooperative effort funded by the U.S. Bureau of Reclamation, California Department of Water Resources and Bay Area Water and Wastewater Agencies

Promoting trading of recycled water use for Bay discharge credits in a watershed based approach to pollutants of concern.

- A key focus of BARWRP studies completed to date has been a characterization of the institutional and public policy hurdles associated with implementation of large scale water recycling in the Bay Area. Case studies have been conducted on several recycled water supply opportunities that have never been implemented for one reason or another. Critical issues have been identified in these case studies that may affect whether or not these or other similar opportunities ever become feasible projects. One example of such an issue is the "Use it or lose it" language currently included in many water supply contracts. If an agency risks losing their current allotment of a particular supply when they reduce demand then they will be reluctant to promote water conservation programs or water recycling projects. Another example of a critical issue identified in BARWRP and other water recycling studies is public health. What are the relative risks of delivering recycled water versus other water sources for the uses permitted by the Department of Health Services? What can be done to lower the risks related to recycled water use, if that is warranted, and how can the public be assured that the identified risks have been reduced to acceptable levels?

These initial findings from the BARWRP master planning efforts have influenced the participating agencies' BARWRP representatives and have led to the following major comments on the CALFED Program and the Draft Programmatic EIS/EIR.

MAJOR COMMENTS

The BARWRP agencies have three major comments regarding the Draft EIS/EIR:

1. **Water Recycling Can Provide a Significant New Source of Water for California.** Significant potential net water savings are projected in the Draft Programmatic EIS/EIR from water recycling in coastal areas. As presented in the Water Use Efficiency Component Technical Appendix, there is a potential for up to 2.1 million acre feet per year total water recycling statewide by 2020. This amount of water recycling could provide up to 1.7 million acre feet of "new" water supply. Large-scale implementation of regional water recycling projects will help CALFED achieve success in meeting its goals and objectives and should be a cornerstone strategy of the program. Recycled water alone will not provide all of the new water supply needed long-term in California, but regional recycled water projects may have advantages over other water supply options that should be considered in the development of implementation priorities. The expected benefits of recycled water projects are multiple and far reaching:
 - Large drought-proof yield that provides statewide water supply reliability benefits.
 - Statewide environmental benefits related to watershed management, water quality, and ecosystem rehabilitation.
 - Minimum environmental impacts related to implementation.
 - Rapid implementation compared to other new supply options.

Implementation of large scale water recycling helps meet three of CALFED's four primary objectives—Ecosystem Quality, Water Supply, and Water Quality. Increased Bay Area water recycling will help limit increasing demands for Delta diversions and, therefore, will have an impact on the water available for improving ecosystem habitats, water supply reliability, and water quality in the Delta.

2. **Capturing the Full Potential of Water Recycling Requires a Unique Approach.** Water recycling is presented as part of the Water Use Efficiency element in the Draft EIS/EIR. Although the end results of water recycling are similar to water conservation, in that the demands on current supplies are reduced, there are significant differences when it comes to implementation strategies. Based upon our work on BARWRP, we believe maximizing the feasible use of recycled water requires a broader approach that can be provided by individual local agencies. Benefits and costs need to be evaluated on a regional and statewide basis to ensure that 1) The total benefits of water recycling are recognized and 2) The agencies benefiting pay an appropriate share of the cost. For example, an agency in one part of the state may be reluctant to proceed with a recycled water project because that agency currently has an adequate supply of water. However, if other partnering agencies contribute toward the cost of that project in exchange for a portion of the water supply generated then there may be a feasible project that leads to a net improvement in the state's water balance.
3. **The State and Federal Governments Should Provide Leadership to Ensure Implementation of Feasible Water Recycling Projects.** We believe that the full potential of water recycling will never be realized if implementation is left entirely to local agencies. Existing institutional and economic barriers to large-scale water recycling are too great to be solved by local agencies acting separately. The major economic hurdle is the up-front capital required to construct recycled water projects. Cost effective water recycling projects will typically have competitive annual life cycle costs, but high capital costs preclude many local agencies from participation. Regional water recycling projects are a potentially significant water supply and should be considered a statewide resource. To take full advantage of this resource, the state and federal governments (i.e. CALFED) should provide the necessary institutional and economic leadership to ensure that the maximum cost effective yield is generated. The BARWRP master planning effort is demonstrating the value of a regional approach to water recycling and the value of a local, state, and federal partnership in water recycling. We recommend that such a partnership be developed to implement the major water recycling opportunities now being defined by the BARWRP work.

SUMMARY OF RECOMMENDATIONS

The agency representatives on BARWRP recommend the following actions:

1. Create a Water Recycling Advisory Committee to further evaluate the role of water recycling in meeting CALFED's primary objectives and to further evaluate the interrelationships with other program elements.

2. Appoint appropriate stakeholders, including members of BARWRP, the Southern California Comprehensive Water Recycling Study, and the WaterReuse Association to the Water Recycling Advisory Committee.
3. Where there is a need to prioritize implementation of water supply projects, the CALFED Program should utilize BARWRP's evaluation decision model (EDM) to assess the relative values of the proposed projects in meeting the CALFED objectives.
4. The CALFED Program should take a leadership role to ensure implementation of feasible recycled water projects. Partnerships for implementation should be developed with local agencies through existing regional programs like BARWRP.
5. New state and federal funding initiatives should be pursued by CALFED agencies specifically for water recycling implementation.
6. The appropriate CALFED agencies should take a lead role in defining the relative risks of recycled water use and in educating the public about the safety of recycled water use.
7. The appropriate CALFED agencies should take a lead role in overcoming water rights and water contract constraints to water recycling.
8. The California Department of Water Resources and U.S. Bureau of Reclamation should continue participation in BARWRP after completion of the Master Plan to help bridge the gap from the planning to the implementation phase. Activities that need to be pursued prior to the implementation phase include resolution of the issues described in items 7 and 8 above, compliance with NEPA and CEQA, and initiation of technical pilot studies and demonstration projects.

Again, we appreciate the opportunity to provide these comments and look forward to an opportunity to discuss our ideas with you and other CALFED staff in the near future.

Sincerely,



**Steven Ritchie, San Francisco PUC
Chair, Executive Management Board**



**Melanie Tucker, Santa Clara Valley Water District
Chair, Program Management Committee**

**Agencies Participating in the
Bay Area Regional Water Recycling Program:**

- California Department of Water Resources
- Central Contra Costa Sanitary District
- City of Palo Alto
- City of San Jose
- City of Sunnyvale
- Delta Diablo Sanitation District
- Dublin San Ramon Services District
- East Bay Dischargers Authority
 - Castro Valley Sanitary District
 - City of Hayward
 - City of San Leandro
 - Oro Loma Sanitary District
 - Union Sanitary District
- Easy Bay Municipal Utility District
- San Francisco International Airport
- San Francisco Public Utilities Commission
- Santa Clara Valley Water District
- South Bayside System Authority
- U.S. Bureau of Reclamation
- Zone 7 – Alameda County Water Agency

Cc: BARWRP representatives

Lester Snow
Peter MacLaggan
Steve Kasower