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Upcoming Meetings

Air Quality

Thursday, April 2, 2009
10:00-12:00 noon, at LACSD.

Biosolids

Thursday, April 16, 2009
10:00-12:00 noon, Location TBA.

Collection Systems

Wednesday, May 13, 2009
10:00-2:00pm, Location TBA.

Energy Management

Tuesday, April 14, 2009
9:00-1:00pm, at Hill Canyon
Treatment Plant, Camarillo.

Water Issues

Tuesday, May 26, 2009
9:00-12 noon, at IEUA.

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A Message from the Executive Director...

Whew! After all that has happened in the past month it may be time to step back and take a deep breath. From the passing of the federal economic stimulus package to the state budget, it has been quite a wild ride for everyone, not only in California, but the entire nation. Now that some of our legislators (federal and state) have come to the realization that the health of our economy must take precedence over their own political agenda, maybe we can start rebuilding our economy and infrastructure into what we once had. In the upcoming months questions will abound as to, who should the money go to and for what? Coincidentally, the American Society of Civil Engineers (ASCE) recently came out with its 2009 Report Card for America's Infrastructure. The overall grade for our nation's infrastructure - a solid "D". Not surprisingly, the outlook for correcting this by the end of next semester is bleak, to say the least. ASCE rated 15 infrastructure categories, with the highest grade assigned being a C+ for solid waste. Eleven categories received grades ranging from D- to D+, including Drinking Water, Energy and Wastewater. As a parent who stressed to my children the importance of getting good grades, I am truly ashamed of this and know we can do better. The EPA estimates it will take \$390 billion alone over the next 20 years to rebuild and upgrade our nation's wastewater systems, with \$14.4 billion of that needed right here in California. According to the ASCE report, we will need to invest an estimated \$2.2 trillion to upgrade our infrastructure over the next 5 years. Let's see, I think I just read where our newly-elected President inherited an annual deficit of \$1.2 trillion, which is expected to rise to more than \$1.5 trillion after factoring in the initial spending from the economic stimulus package. So if we are ever to reduce our annual deficit, as the President hopes to, we must find other ways to fund the "Rebuilding of America" than by going further into debt. Obviously, this is a daunting task and will take the combined efforts of all our cities, counties and special districts to accomplish.

To make matters worse, many agencies are looking at potential staff reductions due to budgetary restrictions. No doubt many workers at or near retirement age will also be leaving public service in the near future creating an immense void of experience. Public works managers will be faced with replacing these valuable assets along with the challenges of recruiting and holding on to new workers. This translates to higher salaries, monetary incentives for certifications, longevity pay and enhanced benefits. Succession planning will continue to be a strategic goal for all agencies and takes on new importance if we are going to meet our nation's infrastructure needs head on. These are not ordinary times and "outside of the box" ideas will be needed. Interim solutions like reduced work weeks, flex hours, contract labor and internships may become the new norm.

Over the last several years I have been fortunate to experience first hand what individuals in the wastewater industry here in California have been able to accomplish and am certain that given adequate funding and human resources, we can raise that grade in Wastewater from a "D" to an "A". Mom and dad would be proud.

Stimulusly Yours,

John Pastore, Executive Director

Committee Reports



Air Quality

By Chair Daniel McGivney
dmcgivney@emwd.org

Imperial County APCD

www.co.imperial.ca.us

Imperial County APCD is currently in the process of developing two State Implementation Plans (SIPs) dealing with the formation of ozone and particulate matter of 10 microns (PM10). Both plans have been submitted to USEPA and were required due to Imperial County's non-attainment status for these constituents. ICAPCD has posted timeline schedules for both Ozone and PM10 implementation on its website.

Also required is the submittal of a Monitoring Network Plan, which is currently in the draft stage and will be available for public review shortly. Anyone interested in obtaining an advance copy can contact the ICAPCD office at (760) 482-4606.

The ICAPCD Board of Directors voted unanimously on November 6, 2007 to adopt the Imperial County CEQA Air Quality Handbook, which is available on the County of Imperial's website.

There are currently no public workshops or hearings posted on the District's website for March.

Mohave Desert AQMD

www.mdaqmd.ca.gov

For those interested in solar power, the MDAQMD website includes a real time display of daily and yearly solar power information from within the district, as well as the amount of carbon dioxide saved.

MDAQMD is advising that an Enhanced Phase II vapor recovery (EVR Phase II) system must be installed by April 1, 2009 for **all** Gasoline Dispensing Facilities with underground tanks, as required by State Law.

Individual presentations from the recently held 2008 CDAWG conference are available for viewing on the MDAQMD website.

There are currently no public workshops or hearings posted on the District's website for March. The next meeting of the MDAQMD is scheduled for March 23, 2009.

San Diego APCD

www.sdapcd.org

San Diego APCD reports it has completed and submitted its Ambient Air Monitoring Network Plan (AMNP) for 2007 and a copy can be obtained from their website. SDAPCD will be required to submit an Air Quality Plan to EPA in 2013 outlining the emission control regulations necessary to bring the entire region into attainment.

SDAPCD has added a custom Google search engine exclusively for their website and also offers an interactive air pollution simulator program called **Smog City 2**. This program will allow the user to make decisions that affect the air quality and can then view the resulting changes that occur.

The SDAPCD website now includes an inventory of toxic and criteria air pollutant emissions in Adobe PDF format for those agencies in San Diego County that are required to report annually.

A new NSPS for Stationary Gas Turbines (40 CFR Part 60, Subparts GG and KKKK) was scheduled for adoption at the Board meeting on February 25, 2009.

The SDAPCD has scheduled a workshop for March 3, 2009 to discuss proposed New Rule -55 (Fugitive Dust Control).

Rule 70 (Storage and Transfer of Gasoline) – The VCAPCD will meet on March 10, 2009 to consider adoption of Rule 70.

Santa Barbara APCD

www.sbapcd.org

The Santa Barbara APCD reports that they have a new fee schedule in effect as of 7/01/08, which can be viewed on their website. SBAPCD also reports that they are working with CAPCOA planning managers to develop GHG emission thresholds for CEQA reviews of new projects.

The SBAPCD held a Community Advisory Council Meeting/Workshop on 10/22/08 to present proposed changes to Rule 316 (Storage and Transfer of Gasoline). Public input is requested. The SBAPCD Board was scheduled to consider adoption of the revised rule on January 15, 2009. The next Community Advisory Council meeting is scheduled for February 25, 2009.

The SBAPCD has announced it will be conducting meetings in the future to discuss the following Rules:

- Rule 321 (Solvent Cleaning Machines and Solvent Cleaning)
- Rule 345 (Reserved)
- Rule 334 (Control of Hexavalent Chromium Emissions from Chrome Plating and Chromic Acid Anodizing)

The next meeting of the SBAPCD Board is scheduled for March 19, 2009.

Ventura County APCD

www.vcapcd.org

VCAPCD currently has application forms available for the Carl Moyer Program. The program will provide approximately \$2 million of grant funds for projects within Ventura County. The grant funds are available to qualifying owners of heavy-duty diesel powered equipment that want to reduce air pollution by upgrading or replacing their present equipment.

The VCAPCD Advisory Committee met on February 24, 2009 to discuss proposed revisions to Rule 42 (Permit Fees).

South Coast AQMD

www.aqmd.gov

SCAQMD Proposed Rule 317 by Greg Adams

This proposed rule, based on a requirement contained in Section 185 of the Clean Air Act Amendments of 1990, would impose a fee on major sources of approximately \$9300 on each ton of NOx and VOC in excess of a “baseline” amount established in the year 2010. The fees are estimated to add \$35 million dollars to the SCAQMD coffers starting in the year 2012. Staff has agreed to delay bringing the rule before the Board until April 2009 to allow EPA to work through alternatives with a working subgroup of the Clean Air Act Advisory Committee (CAAAC). The working group is exploring such approaches as equivalent emissions reductions alternatives, equivalency in fees and demonstration of equivalent or better air quality impacts. SCAP is closely following the progress of the CAAAC working group.

Priority Reserve Lawsuits by Greg Adams

The same environmental groups that successfully challenged the adequacy of the CEQA analysis surrounding Rule 1309.1 (Priority Reserve) and Rule 1315 (Federal NSR Tracking System), filed a lawsuit in federal court on August 18, 2008 challenging the fundamental validity of all the credits contained in the SCAQMD’s credit banks. Since our report last month, the February 26, 2009 Federal Central District court action date (to determine whether or not the matter should be dismissed) has been postponed until March 19, 2009. The reason for this delay is to allow additional time for the mediation discussions that have opened on the original CEQA lawsuits to mature and perhaps overflow positively into the federal court action. The Air Committee has submitted a list of mediation topics it would like to have considered during the negotiations. Potential interveners, including SCAP, have agreed to postpone their motions to intervene in the federal lawsuit also to allow time for the mediation to progress. In the meanwhile, the SCAQMD permit moratorium is still in effect. The SCAQMD has formed a New Source Review Working Group to develop alternatives to NSR offsets; the membership was recently approved by the SCAQMD Administrative Committee. SCAP is well represented.

California Wastewater Climate Change Group (CWCCG) Forum by John Pastore

On February 12, 2009 the CWCCG held a meeting in San Leandro concurrent with the monthly Tri-TAC meeting to discuss the future role of the group, as ARB now begins to implement rule changes consistent with the Scoping Plan. More than 35 individuals participated in the meeting, including representatives from SCAP, CASA, BACWA, CVCWA and Tri-TAC. Discussions included the need for wastewater climate change advocacy, prioritization of climate change issues, and development of a strategic plan for the wastewater industry to address climate change issues. It was agreed that the group needs to meet monthly rather than quarterly in order to stay on top of the upcoming climate change regulations and issues. The consensus was that the meetings could be held immediately following the monthly Tri-TAC meetings to minimize travel and maximize efficiency for agency staff. Further discussions regarding funding, expanding role of the group and advocacy issues will be addressed at upcoming meetings

Upcoming Deadlines for ARB In-Use Off-Road Diesel Vehicle Regulation by Carol Kaufman

If you have a fleet of diesel-fueled off-road vehicles (loaders, backhoes, crawler tractors, etc.) you most likely have already heard that as part of the recently signed California budget, the legislature has directed the California Air Resources Board (ARB) to make several changes to the existing in-use off-road diesel vehicle regulation. The changes that ARB staff have been directed to make basically relate to credit calculations, and fleet turnover and retrofit requirements. However, the upcoming deadlines to submit an annual inventory report of the fleet vehicles and their engines have not changed:

- **Large Fleets (greater than 5,000 total horsepower) -- April 1, 2009**
- **Medium Fleets (2,501 to 5,000 total horsepower) -- June 1, 2009**
- **Small Fleets (2,500 or less total horsepower) -- August 1, 2009**

In addition to specific engine information for each vehicle, the report is to contain a Compliance Certification signed by a company responsible official or authorized designee. For more information on reporting, please visit the ARB website at:

<http://www.arb.ca.gov/msprog/ordiesel/ordiesel>.

With regard to the new rule changes, ARB staff is planning to hold a workshop sometime in March to discuss how to implement the changes, and will release a public notice with details regarding the workshop as soon as possible.

Enhanced Vapor Recovery Phase II Reminder by Carol Kaufman

The **April 1st deadline** is just around the corner for upgrading your existing gasoline dispensing facilities (GDFs) with underground storage tanks to meet the ARB's Enhanced Vapor Recovery (EVR) Phase II requirements!! So far the ARB is holding firm on the deadline. It will be illegal to operate any vehicle fueling system subject to the EVR Phase II requirements after March 31, 2009. Failure to comply may result in fines and the non-compliant GDFs being tagged out of service. As the **April 1st deadline** gets even closer, you may want to keep checking the ARB website at: <http://www.arb.ca.gov/vapor/vapor.htm#whatsnew>, or your local air district website for any new information.



Biosolids

By Chair Mike Sullivan
msullivan@lacs.org

EPA Issues Administrative Order to City of Pacifica, California by Matt Bao

On February 10th, EPA Region 9 issued an Administrative Order to the city of Pacifica, California, ordering that the Calera Creek Water Recycling Plant must comply with federal biosolids requirements. The EPA began an investigation in April 2008, which revealed that the treatment plant distributed biosolids that exceeded the federal limits for fecal coliform to land application sites between January and June 2007. Approximately 238 tons of these biosolids were managed by Synagro West and land applied to fields in Sacramento County, Solano County, and Merced County, instead of being managed by an alternate method, such as diversion to a landfill. The treatment plant addressed the fecal coliform problem by upgrading their digesters late last year.

Antelope Valley AQMD Composting Rule by Matt Bao

On February 10th, The Antelope Valley AQMD (AVAQMD) announced a proposal to adopt a composting rule to satisfy local particulate matter control measures promulgated by CARB. The proposed rule, Rule 1133 – Composting and Related Operations, would require biosolids co-composting operations to implement several best management practices such as daily sweeping of composting areas, adequately mixing feedstocks, and establishing parameters for carbon to nitrogen ratio, moisture content and pH. The proposed rule is being developed in a similar fashion to the Mojave Desert AQMD (MDAQMD) composting rule, which was adopted late last year. Like the MDAQMD rule, proposed Rule 1133 would require biosolids composting operations that process over 100,000 wet tons to be equipped with an emissions control device that reduces VOC emissions by 80%. This rule would also require 80% reduction of ammonia emissions if, in the future, the Antelope Valley Air Basin is designated nonattainment for the National Ambient Air Quality Standard (NAAQS) for fine particulate (PM_{2.5}).

Proposed Rule 1133 is scheduled for adoption at the March 17th Governing Board meeting, and the public comment period will end a few days before the meeting. The draft staff report can be viewed on the AVAQMD website at:
<http://www.avaqmd.ca.gov/RulesPlans/sr-1133.pdf>.

sure I can take care of that with a little persistence. We had some outstanding speakers covering interesting topics of importance to us all, including meeting certain regulatory deadlines that have approached or are coming up, depending on your geological location in California.

Starting things off, Dindo Carrillo from OCSD gave an update on the SWRCB SSO WDR Triennial Review process. He pointed out that this is an excellent opportunity for those that report, to provide the state with feedback as to what you like and don't like about the reporting system. Anyone wishing to comment or join one of the many working committees formed as part of this review process should contact Jim Fischer, SWRCB at jfischer@waterboards.ca.gov.

Next, Sam Espinoza of LACSD gave an update on the Voluntary Sewer Spill Prevention Program being implemented within the County of Los Angeles to provide immediate reporting and documentation of SSOs. Participating agencies are the City of Los Angeles, the Sanitation Districts of Los Angeles and the County of Los Angeles-DPW. One of the more notable features of this program is that all SSOs must be reported within the first 15 minutes of notification, which as you can imagine, is quite a challenge. This definitely is one plan that we should all look at when writing or updating our ordinances, plans, or rules and regulations.

Mr. Joe Parker of the National Clay Pipe Institute (NCPI) made an enlightening presentation on Composite Material (calcium) Consolidation on Walls of Vitrified Clay Pipe. Joe explained how NCPI's independent research led to the conclusion that the observed calcium deposits are caused by groundwater seeping into the pipes primarily from leaking joints in manhole rings. The calcium deposits are prevalent in areas of high groundwater and a reaction involving pH takes place when the groundwater enters the sewer pipe and is oxygenated causing precipitation of the calcium. Possible methods of removal were also discussed, although it seems the only fast method in removing it is to replace the pipe. Joe has graciously agreed to furnish SCAP with a copy of the report for posting on our website.

After lunch, Patrick McNelly of OCSD presented a condensed version of a video on "Water as a Resource". Many of you may already have seen the full length video that has been featured on public access television over the past several months. This provided a great opportunity to remind all of us on the importance of water/wastewater resources and good management practices. After watching it, I actually went home and fixed all my dripping faucets and



Collection Systems

By Chair Ralph Palomares
rpalomares@etwd.com

SCAP Collections Committee Report by Ralph Palomares

On February 25th we had our first SCAP Collections Committee Meeting of the year at El Toro Water District in Lake Forest CA, where we had a great turnout as usual.

On our Agenda for the day was the succession of the Committee Chairperson for the year 2010, as I will be stepping down at the end of this year and turning over the Chair to LACSD's Sam Espinoza. I asked for a volunteer to fill the committee vice-chair position, but believe it or not, there were no takers. However, I am

leaking toilets, which was a small cost compared to what all the water and sewer agencies, districts and cities are going to spend in the coming years. City officials will be spending as much as \$4 million in Atlanta and many more millions right here in California over the next ten years, so now is the time to start our own conservation programs right here in our own homes and offices.

SCAP's very own Bob Kreg gave an excellent presentation on Acronyms of the water and sewer industry (Field Jargon). Some of us did not have the right answers when asked what a dropped manhole was or what does the Clean Water Act stand for or when was it created and why was it created? Do you know the difference between a manhole cone and a shelf? Surprisingly, we didn't have the same answers for these questions. And although, we in our industry each use different words to describe the various processes and equipment that we deal with on a daily basis, we all have the same general idea of what they are. [Editor's Note: Leave it to Ralph to stump everyone at the meeting. Anyone know what "gorilla snot is"?] As always, the primary purpose of our committee meetings is to educate, and Bob's presentation certainly provided that.

The private sewer lateral task force that CASA is working on was explained by John Pastore from SCAP along with some legislation updates. John also made a brief presentation on the IWMB Pharmaceutical Take Back Program Model, which looks a lot like what many of us are already doing or are considering doing in the near future. I do know that the City of Huntington Beach has a take back program where you take all your unwanted drugs to the police station for disposal (pharmaceutical drugs of course). I would like to thank John and the SCAP staff for putting together an excellent meeting and lunch for the committee and of course, the El Toro Water District for the use of their training facilities. Also, a special thanks to all of our guest speakers, who took the time to put together their excellent presentations. Our next meeting date is scheduled for May 13, 2009 and we will be looking for an agency site somewhere in the Inland Empire. If your agency would like to host a SCAP Collections meeting please call me or the SCAP office.

As you know I serve on a number of collections committees and am the past Collections Chair for CWEA 2008, which means I am the Awards Chairperson this year—this being my final year "Yea". Interestingly, my committee just completed the California State tours from San Francisco to San Diego and I observed some excellent programs ranging from FOG and Root Programs, to WDR SSMP programs, innovative computer programs for tracking man hours,

and CCTV inspection programs. Some of these inspection programs consist of a simple push camera, while others might utilize a high dollar camera truck or a half million dollar combination machine, or even a \$90,000 jetter truck. We found that there are some agencies that still keep their logs by writing it all down on paper daily and then filing it for future reference to look at when it comes time to make repairs. Others have laptops in their vehicles to input all of the daily logs, such as cleaning footage or customer complaints, etc., which then allows them to download all of the information into a main computer at the end of the work day. I guess that what I am trying to say is this, it doesn't matter how much money your agency has, or how large or small your agency might be, if you are 100 percent dedicated to your job, like what you do and who you work for, you will be successful. In traveling up and down the state a few weeks back, I saw nothing but dedication to this industry from the workers we interviewed and that left me with a great feeling of satisfaction.



NCPI's Joe Parker discussing VCP calcium deposit report

WDR Deadlines for May 2, 2009 by Robert Kreg

Agencies serving a population of 100,000 or more are required to have their Design & Performance Standards; System Capacity Assurance Plan; Monitoring, Measuring and Program Modifications; SSMP Program Audits; and Communication Program elements completed by May 2, 2009. May 2, 2009 is also the date for the final certification of the SSMP. Remember that before the final certification the SSMP must be approved by your agency's governing body at a public meeting.

Agencies serving a population of between 10,000 and 100,000 are required to have their Emergency Response Plan; Legal Authority; Operations and Maintenance Plan; and Fats, Oils and Grease Plan elements completed by May 2, 2009.

WDR Triennial Review by Robert Kreg

May also marks the month when the State Water Resources Control Board (SWRCB) will start its WDR Triennial Review which may open the current statewide WDR for revision. Unlike NPDES permits that generally have a five year life span before they are rewritten and or reissued, the WDR does not have a sunset. The WDR will remain in effect until the SWRCB repeals it. The current statewide WDR was adopted in 2006 and affects all publicly owned sanitary collection systems possessing one or more miles of pipeline. To ensure the WDR is accomplishing its intended goal and is providing efficient regulation, the state may occasionally open the Order for revision.

When the current WDR was being drafted, the state formed the SSO Guidance Committee to provide input and review of the Order as it was being crafted. The SSO Guidance Committee was comprised of interested stakeholders from cities, districts, associations and NGOs. The SWRCB is intending to pursue a similar course and has formed two committees to assist with the review of the Order. The Order Update Committee will review the actual language and elements of the Order and will be facilitated by Jim Fischer at:

jfischer@waterboards.ca.gov. The Data Analysis Committee will review spill and other data that has been accumulated and will be facilitated by Russell Norman at: norman@waterboards.ca.gov. Both of these committees are open to anyone who is interested in participating. Simply email the committee facilitator to be included. No committee meetings have been held yet and SCAP will continue to monitor the proceedings.



Example of correct confined space entry procedure



Energy Management

By Chair Andre Schmidt
aschmidt@lacsds.org

Federal Stimulus Money for Energy Projects by Andre Schmidt

On February 18th, President Obama signed the economic stimulus bill to much fanfare. The bill includes approximately \$64 billion in spending and tax incentives for energy efficiency, renewables development, transmission expansion, carbon sequestration research, and plug-in hybrid electric vehicles. So what potential impact will this energy spending have on our local POTW's? One resource to answer this question is the League of California Cities, which has compiled a guide of stimulus opportunities for local cities and agencies. A link to this guide can be found at www.cacities.org/index.

Stimulus items that may relate to energy projects at local POTW's include:

- At least \$280 million for the California Clean Water State Revolving Fund (CWSRF). Priorities will be focused on "shovel-ready" projects that will create jobs immediately. Federal law requires that all projects must be under construction within 12 months of enactment and that not less than 20% of the \$280 million go for green infrastructure, water or energy efficiency improvements or other environmentally innovative activities.
- Extension of the production tax credit through 2013 for renewable energy projects including digester gas. It also allows project developers to swap the PTC for an investment credit and to convert the investment incentive into cash grants to be awarded by the Treasury Department. These provisions will help improve the terms of power purchase agreement (PPA) projects.
- \$3.2 billion for the Energy Efficiency and Conservation Block Grant (EECBG) program. Likely eligible uses of funds for cities and agencies include the following: developing and implementing an energy efficiency and conservation strategy; retaining technical consultant services to assist in the development of such strategy; conducting energy audits of buildings and facilities; purchasing and implementing technologies to reduce and capture methane and other

greenhouse gases generated by landfills or similar sources; installing LEDs; and developing, implementing, and installing on or in any government buildings of onsite renewable energy technology that generates electricity from renewable resources (solar and wind energy, fuel cells, and biomass). More information is available at the EECGB website: www.eere.energy.gov/wip.

- \$3.1 billion for State energy program grants. We'll have to wait and see what portion of this is granted to California and how it will be used. \$2.5 billion for energy efficiency and renewable energy research, development, demonstration & deployment including \$1.3 billion for activities such as research and demonstrations into additional renewable technologies. Funding for this program will be discretionary by the federal Department of Energy.

Update on Sale of Renewable Portfolio Standard Eligible Renewable Energy Credits by

Andre Schmidt

The California Public Utilities Commission has issued an initial ruling that allows separation of renewable portfolio standard (RPS) eligible renewable energy credits (RECs) from the associated power. This ruling will allow POTWs to sell RECs associated with power generated from digester gas self-generation facilities. The RECs can be sold for self-generated power that is consumed on-site at the POTW and does not enter the grid. It is anticipated that the market value of these RECs will be approximately \$10 to \$30 per MW-hr.

The rules for the sale of RECs do not address greenhouse gas (GHG) offset credits, so it is expected that the sale of the RECs will be independent of GHG offset credits. However, sellers should review any offers to determine if the buyer is offering to buy RECs only, or GHG offset credits in addition to RECs.

The ruling was postponed during the January 29th and February 20th CPUC meetings. It has already been determined that once enacted, the ruling will be effective January 1, 2009. Depending on the outcome of the ruling, sales may be allowed retroactive three years from January 1, 2009. The issue is scheduled to be heard at the next CPUC meeting to be held March 12th.

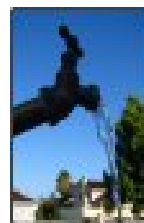
Southern California Edison General Rate Case Update by James I Pasmore Jr.

On Friday, February 20th, the Commission held SCE's 2009 General Rate Case Phase 1 decision until the

next CPUC meeting on March 12th. Currently, Commissioner Peevey's alternate proposed decision proposes a revenue requirement increase of \$330 million. If approved on March 12th, the rate increase could be implemented as early as April 4th.

In addition, on Wednesday, February 18th, SCE filed a motion to withdraw their Energy Resource Recovery Account (ERRA) trigger application. This trigger application is used to make a revenue adjustment when a significant over or undercollection occurs in SCE's fuel and purchased power account balance. SCE filed the ERRA trigger application in December 2008 to recover an undercollection amount of approximately \$309 million. This would have resulted in an April rate increase of 0.4 cents/kWh or 3% as compared to 2008 rates. Since December, natural gas prices have declined to the point that SCE projects the undercollection will decrease over the next few months such that the rate increase is no longer necessary at this time.

SCE is currently in the process of determining the impact of these recent changes to this year's anticipated rate change. At the end of last year, SCE forecasted that 2009 rates would increase approximately 7% over 2008 rates. SCE is now forecasting a system average rate increase in April 2009 of approximately 2%-3% as compared to 2008. It is important to emphasize that this rate increase is an estimate based on SCE's latest forecasts and is subject to change due to CPUC and FERC proceedings currently before those Commissions.



Water Issues

By Chair Gus Dembegiotes
Gus.dembegiotes@lacity.org

Quarterly Water Issues Committee Meeting by Gus Dembegiotes

On February 10th, the Water Issues Committee held its regularly scheduled quarterly meeting. At the meeting, John Ginn of the State Water Resources Board provided a presentation on the State's implementation of the California Integrated Water Quality System (CIWQS). John provided some background on the existing eSMR system and then noted improvements in the new eSMR2. John noted that new system was tested on a trial basis in Yuba City and rolled out in Region 5 in Redding. The State has also started training for the new system in Region 3, Fresno. John

Pastore, SCAP's Executive Director, also gave an update regarding Integrated Waste Management Board's Pharmaceutical Waste Management Plan. Sharon Green also provided an update on regulatory and legislative issues. Specifically, she updated attendees on the Economic Stimulus package and its potential impact on California. She also discussed the State's adopted policy guidelines for Supplemental Environmental Projects.

California Clean Water State Revolving Fund (CWSRF) by Gus Dembegiotes

The Division of Financial Assistance has proposed amending the CWSRF Policy and Appendices. The comment period for the proposed Policy amendment is February 23, 2009 through March 4, 2009. The CWSRF Policy Amendment will be considered for adoption by the State Water Board on March 17, 2009. The draft CWSRF Policy amendment [Public Notice](#), a list of all changes ([Exhibit A](#)), the draft CWSRF Policy amendment with all changes shown ([Exhibit B](#)), and the draft CWSRF Policy amendment with all changes accepted ([Exhibit C](#)) are available for review and comment as outlined in the Public Notice. The amendments are intended to realign financing approval process to expedite funding of projects; implement a two tiered environmental analysis; provide flexible interest and incentives to implement provisions of the federal economic recovery legislation; add the small, disadvantaged community service charge approved by AB 2356; and make other editorial changes.

California Climate Change Water Recycling Implementation Workshop by Gus Dembegiotes

On March 4th, the State Water Resources Control Board (State Board) will conduct a workshop to discuss strategies for implementing measure "W-2 Water Recycling" from the Air Resources Board's AB 32 Climate Change Scoping Plan which was adopted in December 2008. This workshop is jointly sponsored by the Water-Energy Team of the Cal/EPA Climate Action Team (WETCAT), the State Water Board, and the California Public Utilities Commission and is an opportunity for stakeholders and the general public to provide comments on the implementation of the water recycling measure. The morning workshop session will include an overview of AB 32 with emphasis on measure W-2 Water Recycling, presentations of water recycling efforts and facilities by selected local agencies, and a session on water recycling financing. The afternoon workshop session will be dedicated to small group discussions of implementation issues in response to questions. The workshop will be held in Sacramento at the Cal/EPA building. More information can be found at:

http://www.swrcb.ca.gov/board_info/agendas/2009/mar/notice_climate_change.pdf



Regulatory Affairs

By Mary Jane Foley
mfoley@scap1.org

Little Hoover Commission Clearer Structure, Cleaner Water Document Released by Mary Jane Foley

In January, the Little Hoover Commission released a document entitled "Clearer Structure, Cleaner Water: Improving Performance and Outcomes at the State Water Boards." This study of California's Water Board focused entirely on the role of the Boards in water quality regulation. Water Rights were excluded from this effort.

Through public hearings, meetings of two commissions, created advisory committees, extensive interviews with stakeholders, and review of available research, the Little Hoover Commission identified critical problems with California's efforts to regulate and improve water quality. The report is 113 pages long, so I will attempt to highlight some of the "critical problems" and recommendations.

Critical Problems:

- The relationship between the state and regional boards is not well-defined, leading to inconsistencies and inefficiencies among boards, an inability to set statewide priorities, and a lack of focus on holding regional boards accountable for clean water outcomes.
- The state and regional boards lack a mechanism to collect and analyze data properly, use scientific research and cost effectiveness reviews to drive decision making, and provide useful information to the public, policy-makers and other researchers.
- An antiquated regional board structure limits candidates for regional boards, hinders transparent decision-making, and asks volunteer board members to do too much.
- The appeals process is broken.
- The state -- both water boards and other state agencies -- is struggling to adapt appropriate strategies to address non-point source pollution.

Report Recommendations:

1. To move toward a more consistent, transparent, and accountable governance structure that allows for both statewide policy and regional flexibility, reform the State Water Resource Control Board and Regional Water Quality Control Boards by strengthening ties between the boards, refocusing the boards on broad policy-making, and restoring confidence in the appeals process.
 - Restructure the SWRCB to add 4 full time Regional Board Chairpersons.
 - Restructure the Regional Boards to 7 with one full time Chair.
 - Empower the Executive Officers to issue permits. The Executive Officers of the Regional Waterboards would report to the Executive Officer of the State Water Board.
 - Exempt State and Regional Board members and Executive Officers from exparte rules.
 - Create a new appeals board that would address appeals of the quasi-adjudicative functions.

2. The state must improve and increase its use of data; scientific research and planning to better inform the public, respond to current and future water quality problems, and focus on more accountability.
 - Create a Water Science Advisory Board for the SWRCB.
 - Create and independent Water Data Institute.
 - Develop Report Cards for each major water body.

There is a lot of background to go along with the bullets just listed. If you go on the Little Hoover Commission website, you will find the entire report. A lot of what was learned over a year of meetings, study, etc. is already known and understood by many of the SCAP members. I have asked State Waterboard Executive Officer Dorothy Rice and the Chair, Tam Dodoc, what their next steps were related to this report. For example, do they respond? Do they try to incorporate what has been recommended into the 2008 Perata proposed legislation entitled Water Quality Improvement Initiative? I haven't received a response yet. Much of what is recommended is captured by the 2008 WQII proposed legislation that we reviewed last year and didn't pass. But a lot of it is not, and it will be interesting to see if the legislators and the Governor, who were the recipients of this report, will address the recommendations in the WQII or any other process.

Other items of interest:

SCAP signed onto the comment letter on the Water Quality Enforcement Policy that was briefly reviewed in this column last month. The first part, SEPS, will still include education as eligible. We fought hard for that. The second part hasn't been voted on yet. I have been working with State Waterboard Executive Dorothy Rice to accept the industry recommended changes, and she is giving them her consideration.

This month many entities in the LA Region received high Mandatory Minimum Penalties (MMP's) for lack of reporting, etc. It is so hard for the average citizen or water/wastewater professional to understand all the rules applying to reporting. I was able to give my best professional judgment on what alternatives and strategies could be pursued. But in the end, the MMP's are extremely hard to challenge. Nevertheless, you must do your best to challenge the fairness of the penalty. You may even cause some legislative improvement if you speak out at a Regional Board meeting on why you think your penalty was unfair. The expectation by the regulators is that you know everything about enforcement and compliance, and there are no excuses. I could never support that concept in its entirety. Anyway, I was glad to be called and to brainstorm the penalties with SCAP Members.

Regulatory Help Desk

Having a regulatory problem and want to talk to someone confidentially about what your options are? Helping individual members is one of my charges and a rewarding part of this job. Please feel free to call me at (949) 493-8466, or email at mjfconsulting@cox.net .

Non Sequitur

The optimist proclaims that we live in the best of all possible worlds; the pessimist fears this is true.

- *The Silver Stallion (1926)*

Some of our Supporting SCAP Associate Members

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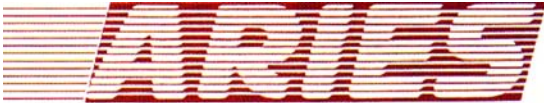
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