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The Voice and Advocate for the California Food Processing Industry since 1905

April 21, 2015

Ms. Felicia Marcus Chair, State Water Resources Control Board 1001 I Street Sacramento, CA 95814

Re: Draft Emergency Regulations Implementing 25% Water Conservation Standard

Dear Chair Marcus:

The California League of Food Processors (CLFP) appreciates the opportunity to provide comments on the Draft Emergency Regulations Implementing the 25% Water Conservation Standard (regulations).

CLFP represents the business interests of California's food processing industry. Our member companies consist of canners, freezers, dryers and dehydrators of fruits, nuts, and vegetables, as well as juice bottlers, olive oil and dairy processors, snack food and specialty product manufacturers. Food processors make a significant contribution to the state's economy. According to a recent study conducted by economists with U.C. Davis, food processors directly employ 198,000 Californians, and generate \$82 billion in value-added to the economy.

Water is vital to the food processing industry. It is essential for many processes in food processing operations including boilers, sealing and steaming, cooling, and produce conveyance. Water is also an essential ingredient for many food and beverage products. Perhaps the most important function of water is for plant sanitation which is crucial for food safety.

These uses are essential to maintain the economic viability within individual plants, communities, and statewide. Food and beverage processing is a key driver of the economies of many communities in the Central Valley, where the sector contributes nearly \$20 billion in value added and 205,000 jobs. For example, in four Valley counties food processing accounts for at least 20 percent of all jobs. In cities such as Turlock, Fresno, Modesto, Tulare, and Yuba City, food processing accounts for over 10 percent of local employment. Mandatory reductions in water may equate to an equivalent reduction in economic output and could result in significant job loss in these areas of the state that can least afford it.

We appreciate that the proposed regulations do not expressly identify water used in manufacturing processes as an appropriate end-user target for reductions. As you are aware, the legislature and Governor recognized the importance of process water in the historic mandatory water conservation legislation, SB 7X 7 (Steinberg, 2009) which requires a 20% reduction in urban water use. The law includes a definition for "process water" and provides flexibility for local water suppliers to exempt these uses from their baseline calculation of their "gross water" usage.

CLFP requests that the State Water Resources Control Board continue to provide the same treatment to "process water" as provided in statute in its regulations. This will give locals the ability and direction to review their water usage and adjust for process water and not create immediate economic harm.

Food processors have taken, and will continue to take, cost effective steps to reduce their water useage. However, each food processing facility has unique water use characteristics and a one-size fits all approach to water conservation is not appropriate. It takes time and resources to make equipment and processing changes, and these emergency regulations to take effect June 1 are not a suitable mechanism to achieve manufacturing water use reductions.

Thank you for your consideration of our comments.

Sincerely,

Trudi E. Hugle

Trudi Hughes Director of Government Affairs