



Air Resources Board



Mary D. Nichols, Chairman
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Arnold Schwarzenegger
Governor

Linda S. Adams
Secretary for
Environmental Protection

February 8, 2010

Mr. Peter Douglas
Executive Director
California Coastal Commission
45 Fremont, Suite 2000
San Francisco, CA 94105-2219

Re: Carlsbad Desalination Project

Dear Mr. Douglas:

On November 13, 2009, the California Coastal Commission staff requested that Poseidon Resources submit an amendment to the Carlsbad Desalination Project's Coastal Development Permit. I am in receipt of this request, and as State law charges the Air Resources Board (ARB) with implementing the Global Warming Solutions Act of 2006 (AB 32), I am providing you with the following comments.

ARB staff reviewed Poseidon Resources' Energy Minimization and Greenhouse Gas Reduction Plan (GHG Plan) in 2008 prior to the Commission's vote to accept Poseidon's voluntary reduction of the Project's "net" incremental GHG emissions as a condition to the desalination facility's Coastal Development Permit. Our August 5, 2008 letter to the Coastal Commission regarding the GHG Plan stated that "we believe the amount of emissions reduction that should be required need not exceed the net impact, that is, the direct emissions and any new indirect emissions from the project, less emissions that would be associated with providing an equivalent amount of existing supplies."

It was our understanding then, as it is now, that Poseidon's desalination facility would replace water that would otherwise be imported into the San Diego region by retail water agencies purchasing the Project's water, but it would not affect the Metropolitan Water District's imported water entitlements. As such, we do not believe that there have been any changes to the Project or the assumptions underlying Poseidon's GHG Plan, which would change the positions expressed in our August 5, 2008 letter.

Feel free to contact my office if you have any questions.

Yours truly,

Mary D. Nichols
Chairman

cc: Members, California Coastal Commission
Linda S. Adams, Secretary

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our website: <http://www.arb.ca.gov>.

California Environmental Protection Agency