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# Water Storage Investment Program Update

WEF Water 101- The Basics and Beyond

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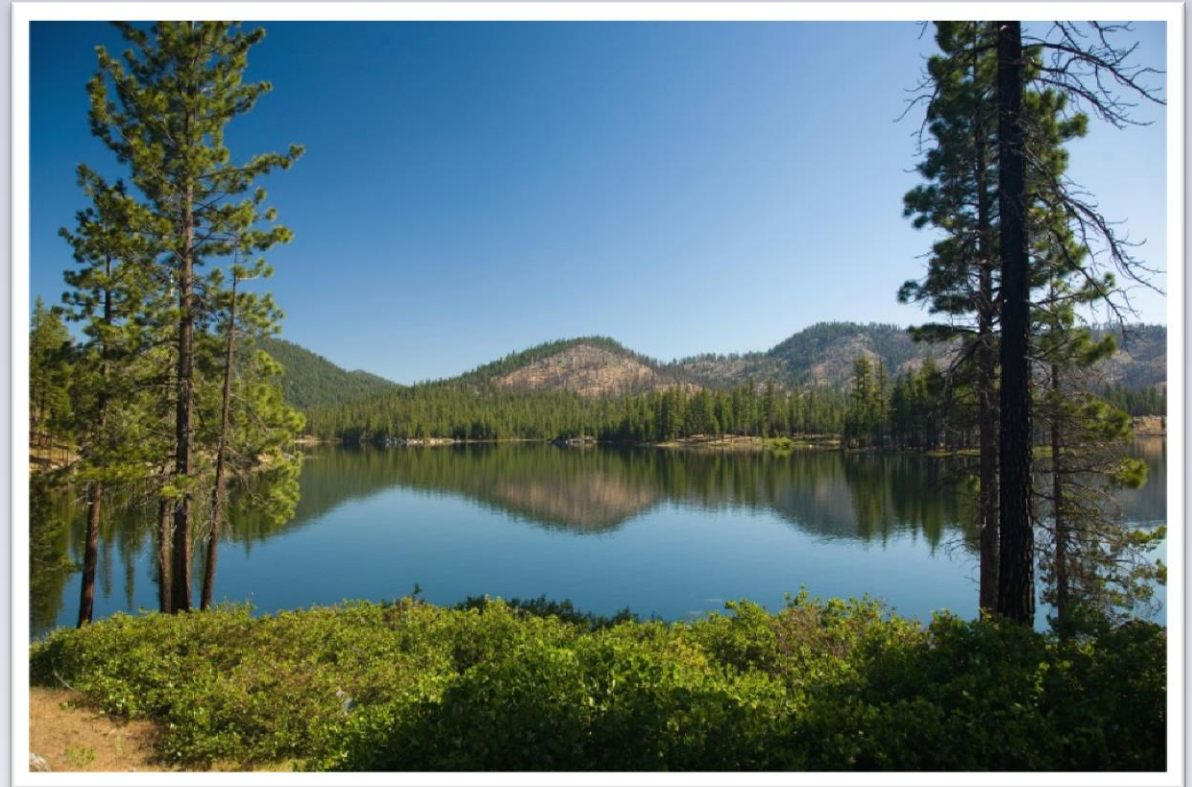
Executive Officer, California Water Commission

# Today's Discussion

- Need for Increased Water Storage
- Governor's Water Action Plan
- Proposition 1 and the Water Storage Investment Program (WSIP)
- WSIP Process, Goals, and Outcomes

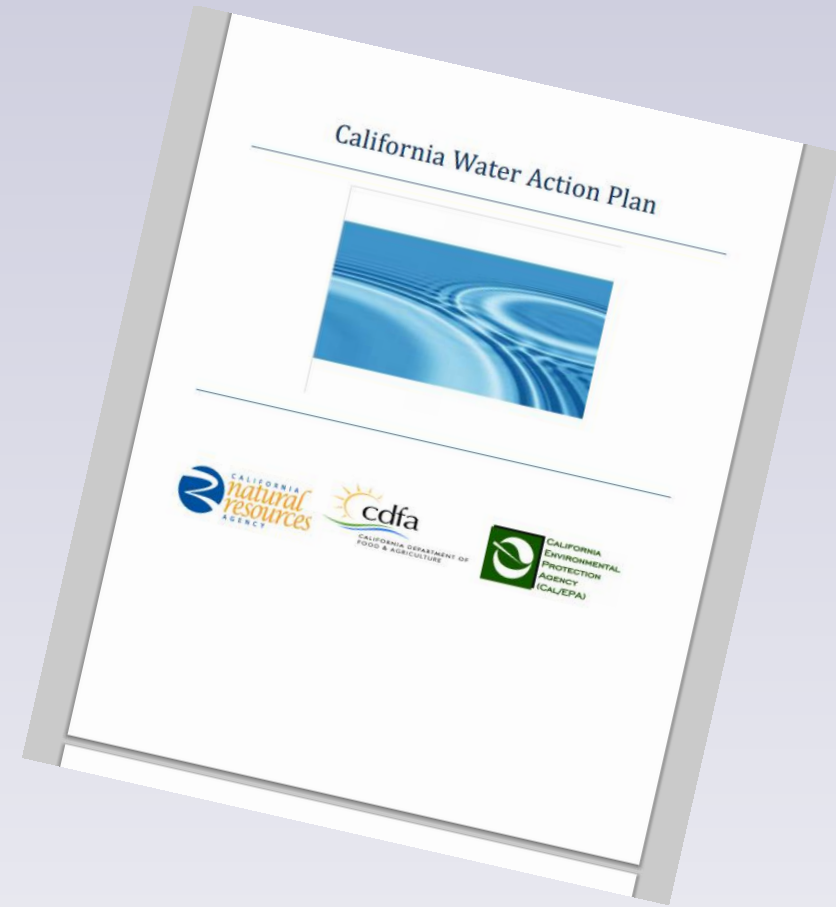
# The Critical Need for Increased Water Storage

- Manage future water challenges
- Plan for uncertainties
- Provide flexibility
- Ensure water is available when it is needed
  - Storing winter precipitation for use in the summer months
  - Storing water during wet years for use during dry periods
  - Environmental and water quality benefits



# Governor's Water Action Plan

- Foundation for improved water management
- Strategies for sustainable management
- 10 specific actions with five-year goal

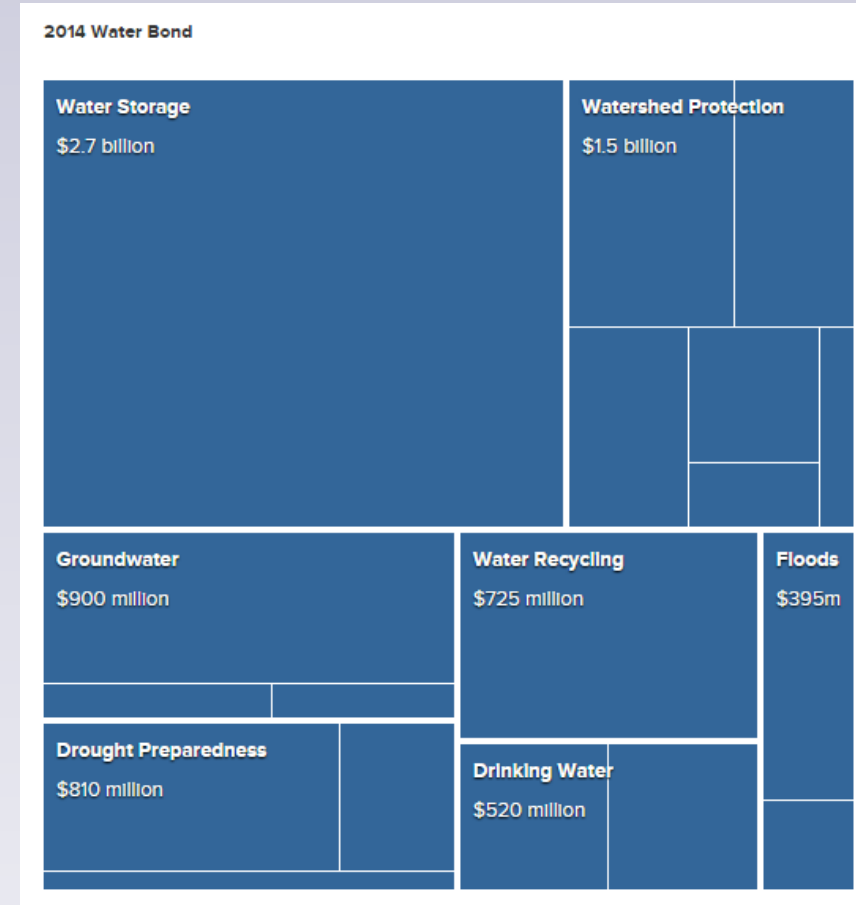


# Governor's Water Action Plan

1. Make Conservation a California Way of Life
2. Increase Regional Self-Reliance and Integrated Water Management
3. Across All Levels of Government
4. Achieve the Co-Equal Goals for the Delta
5. Protect and Restore Important Ecosystems
6. Manage and Prepare for Dry Periods
7. Expand Water Storage Capacity and Improve Groundwater Management
8. Provide Safe Water for All Communities
9. Increase Flood Protection
10. Increase Operational and Regulatory Efficiency
11. Identify Sustainable and Integrated Financing Opportunities

# Prop 1 Funds Many Water Projects

- Seven broad categories
- Administered by different state agencies
- \$2.7 billion to Commission for water storage



# Who is the California Water Commission?

- Nine-member Governor-appointed Commission
- Broad experience in water, environment, agriculture, and business
- Commission activities are conducted in public, which allows for broad stakeholder involvement and transparency



# Competitive Public Process



Projects shall be selected by the commission through a competitive public process... -- §79750(c)



# Water Storage Investment Program

- The Commission developed the WSIP to carry out its new duties.
- The bond sets a high bar for the Commission and project applicants.

# Water Storage Investment Program

- The Commission, through the WSIP, will fund the public benefits of projects that:
  - improve operation of the state water system,
  - are cost effective,
  - provide a net improvement in ecosystem and water quality conditions, and
  - provide measurable improvements the Delta or its tributaries.

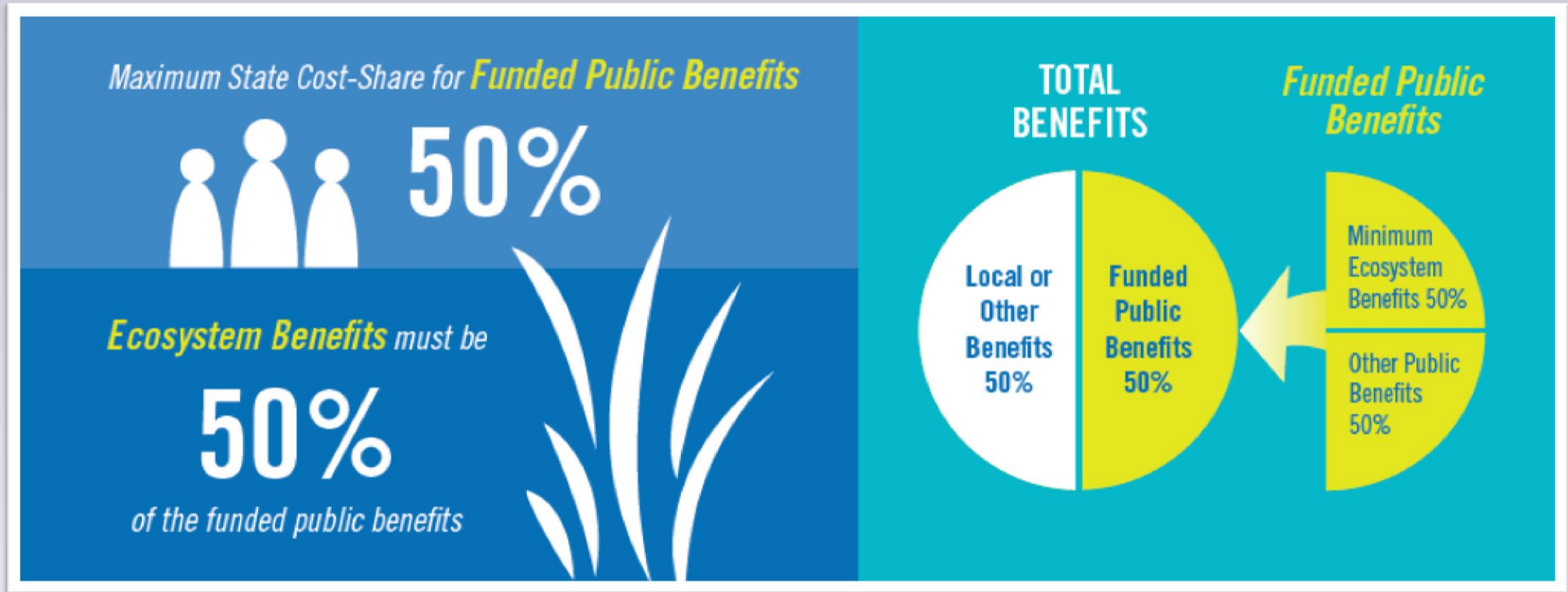
# Public Benefits of Storage (in statute)

- 1) Ecosystem
- 1) Water quality
- 2) Flood control
- 3) Emergency response
- 4) Recreation

-- §79753



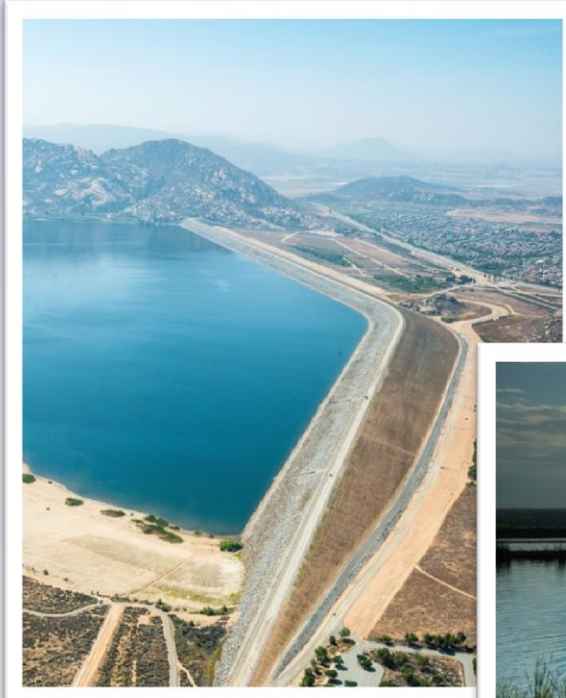
# Public Benefit Cost Share Requirements (in statute)



# Eligible Storage Projects (in statute)

- **Surface Storage**
  - **CALFED**
  - **Regional**
  - **Local**
- **Groundwater**
- **Conjunctive Use**
- **Reservoir Reoperation**

-- §79751



# Statute Plus Commission Goals

- Maximize return for public investment
- Support co-equal goals in the Delta
- Improve water supply reliability
- Increase local and regional water supply reliability
- Promote integration of projects
- Maximize system resiliency
- Assist Disadvantaged Communities

# MISCONCEPTIONS

- **New storage will solve California's water crisis**
- **This program was intended to address the current drought**
- **The bond money is for CALFED projects only**
- **The funding is for large projects only**
- **The bond money can pay for water supply**
- **The bond money can cover up to 100% of a project cost**
- **The Commission is tasked with developing projects**

# Program Schedule

## 2015: Program Development

- Developed draft regulations
- Extensive early public engagement

## 2016: Formal Rulemaking

- Concept papers
- Formal OAL Rulemaking
- Formulate projects
- Comment on draft regulations

## 2017: Project Solicitation

- Pre-application
- Technical assistance
- Full applications

## 2018: Commission Decision

- Technical review
- Independent peer review
- Public input
- Commission findings
- Initial funding decisions



# Draft Regulations

- **Chapter 8 is subject to regulation.**
  - **First set regulations cover requirements for the application development and solicitation process**
  - **Second set of regulations will cover the evaluation criteria**

# Challenges

- **New dams vs. no new dams**
- **Existing compliance obligations**
- **Timing – too fast vs. too slow**
- **Small projects vs. large projects**
- **Surface storage vs. groundwater storage**

# Food for Thought

- **Proposition I defines the responsibilities of both the Commission and project proponents.**
- **Participation and preparation by local project proponents is just as important as the work of the Commission to this program's success.**
- **The Commission cannot develop projects; they can only consider project proposals submitted by eligible applicants.**

# Contact Us

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