

MARCH 2015

California Water Commission **Water Storage Investment Program** Overview

Water Storage Investment Program

Overview



Today's Discussion

- Need for Increased Water Storage Capacity
- Funding Public Benefits
- Timeline
- Get Involved

The Critical Need for Increased Water Storage

- Manage future water challenges and plan for uncertainties
- Increased storage provides flexibility
- Ensures water is available when it is needed
 - Storing winter precipitation for use in the summer months
 - Storing excess water during wet years for use during dry periods
 - Environmental and water quality benefits



Decreasing Snowpack



Images: NASA LANCE/EOSDIS MODIS Rapid Response Team

Water Storage Investment Program

Overview

Governor's Water Action Plan

- California Water Action Plan lays foundation for improved water management
 - Strategies for Sustainable Management of California's Water Supplies
 - Specific Actions with Five-Year Goal



Future Water Management Investment Needs

- There are up to 10,000 Water management projects and activities that have been identified by state, federal, and local agencies
- To fund these projects and reduce flood risk, provide reliable and clean water supplies, and enhance ecosystems and their services would require up to \$500 billion of future investment over the next few decades

According to California Water Plan Update, 2013

Voters pass Prop 1, the water bond

- California voters overwhelmingly passed water bond by a 2-1 margin
- Bond charges the California Water Commission to allocate \$2.7 billion for water storage

Proposition 1, a water bond measure, passes



NEWS

California voters approve \$7.5 billion water bond

By SCOTT SMITH Associated Press 1:04 P.M. NOV. 4, 2014

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LOS ANGELES (AP) — California voters on Tuesday approved spending \$7.5 billion to improve the state's outdated and undersized water storage and delivery system amid a historic drought.

Chapter 5 Safe Drinking Water

\$520M Clean & Safe Drinking Water

- \$260M Small community wastewater
 - FY15-16 Proposed Budget \$66.3M
- \$260M Disadvantaged Community Drinking Water
 - FY15-16 Proposed Budget \$69.2M

Administered by State Water Resources Control Board

Chapter 6 Watershed Protection and Restoration

\$1,495M Watershed Restoration & Protection

- \$515M Watershed restoration in designated areas
- \$475M State environmental restoration commitments
- \$305M Statewide watershed restoration
- \$200M Projects to increase water flowing in rivers and streams

Total in FY 15-16 Proposed Budget = \$178M

Administered by:

- Natural Resources Agency and various conservancies, Wildlife Conservation Board, and Department of Fish and Wildlife

Chapter 7 Regional Water Reliability

\$810M Regional Water Security

- \$510M Integrated Regional Water Management
 - FY15-16 Proposed Budget = \$32.8M
 - Administered by DWR
- \$100M Water Conservation & Water Use Efficiency
 - FY 15-16 Proposed Budget = \$23.2M
 - Administered by DWR
- \$200M Multi-benefit Stormwater Management
 - FY 15-16 Proposed Budget = \$0.6M
 - Administered by SWRCB

Chapter 8 Water Storage Investment Program

\$2,700M Statewide System Operation

- Public benefits associated with water storage
- Administered by the California Water Commission
 - Continuously appropriated funds

Chapter 9 Water Recycling

\$725M Water Recycling

- Water recycling, desalination, & advanced treatment technology
- FY 15-16 Proposed Budget
 - Desalination \$5.5M
 - Administered by DWR
 - Recycling and Treatment Technology \$131.7M
 - Administered by SWRCB

Chapter 10 Groundwater Sustainability

\$900M Groundwater Sustainability

- \$800M Prevention & cleanup of groundwater pollution
 - FY 15-16 Proposed Budget = \$0.6M
 - Administered by SWRCB
- \$100M Local plans & projects to manage groundwater (Grants)
 - FY 15-16 Proposed Budget = \$21.3M
 - Administered by DWR

Chapter 11 Flood Management

\$395M Flood Management

- \$295M Reduce risk of levee failure & flooding in the Delta
- \$100M Statewide flood management
- Administered by DWR and the Central Valley Flood Protection Board
- No funds requested in FY 15-16

Who is the California Water Commission?

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



Funding the Public Benefits of Water Storage

- State will fund the public benefits of a project through this program
- The law provides clear direction to the Commission about what projects can be funded

Funding the Public Benefits of Water Storage

- By law the Commission cannot select any projects for funding before December 15, 2016
- The Commission must develop regulations and guidelines to give the public input and clear how projects will be selected

Three types of storage projects

- Surface Storage
 - CALFED (Los Vaqueros Reservoir Enlargement, Upper San Joaquin River Basin Storage Investigation, North-of-the-Delta Offstream Storage Investigation, In-Delta)
 - Regional
 - Local
- Groundwater storage
- Conjunctive Use and Reservoir Reoperation

Public Benefits of Storage

- Ecosystem
- Water quality
- Flood Control
- Emergency response
- Recreation



Special Requirements

- A project shall not be funded pursuant to this chapter unless it provides measurable improvements to the Delta ecosystem or tributaries to the Delta.

Special Requirements

- At least 50 percent of public benefit has to be ecosystem benefits.



Ecosystem Improvements

- Changing the timing of water diversions
- Improvement in flow conditions
- Improvement to temperature
- Other benefits that contribute to restoration of aquatic ecosystems and native fish and wildlife

Clear Rules of the Game

- The Commission is committed to developing a program that will:
 - Improve the overall health of our water management system
 - Respect the public's trust that this money is spent efficiently
 - Benefit our state, our people, and our environment
 - Special consideration will be given to projects that provide the greatest statewide benefit, provide multiple benefits, and that leverage other public and private investments

2015/2016 Anticipated timeline



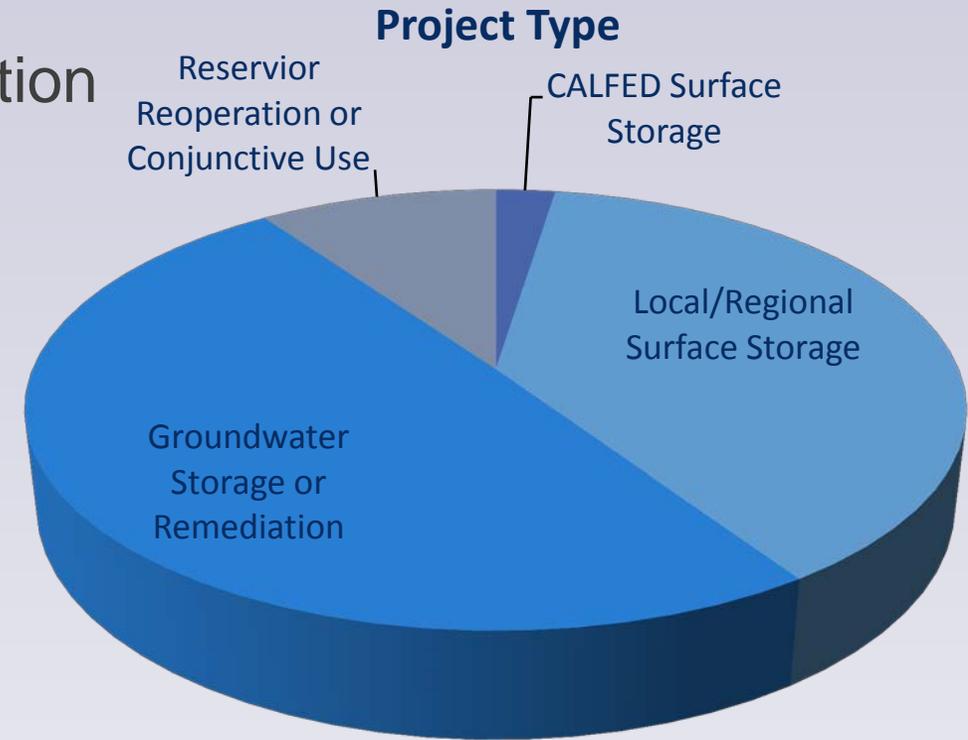
Scoping Survey

- Purpose – to gauge the level of interest from potential applicants and their understanding of the legislation and process for funding water storage projects
- Released on February 24
- 162 Responses received as of March 11

Project Types

- 123 (84%) respondents answered this question

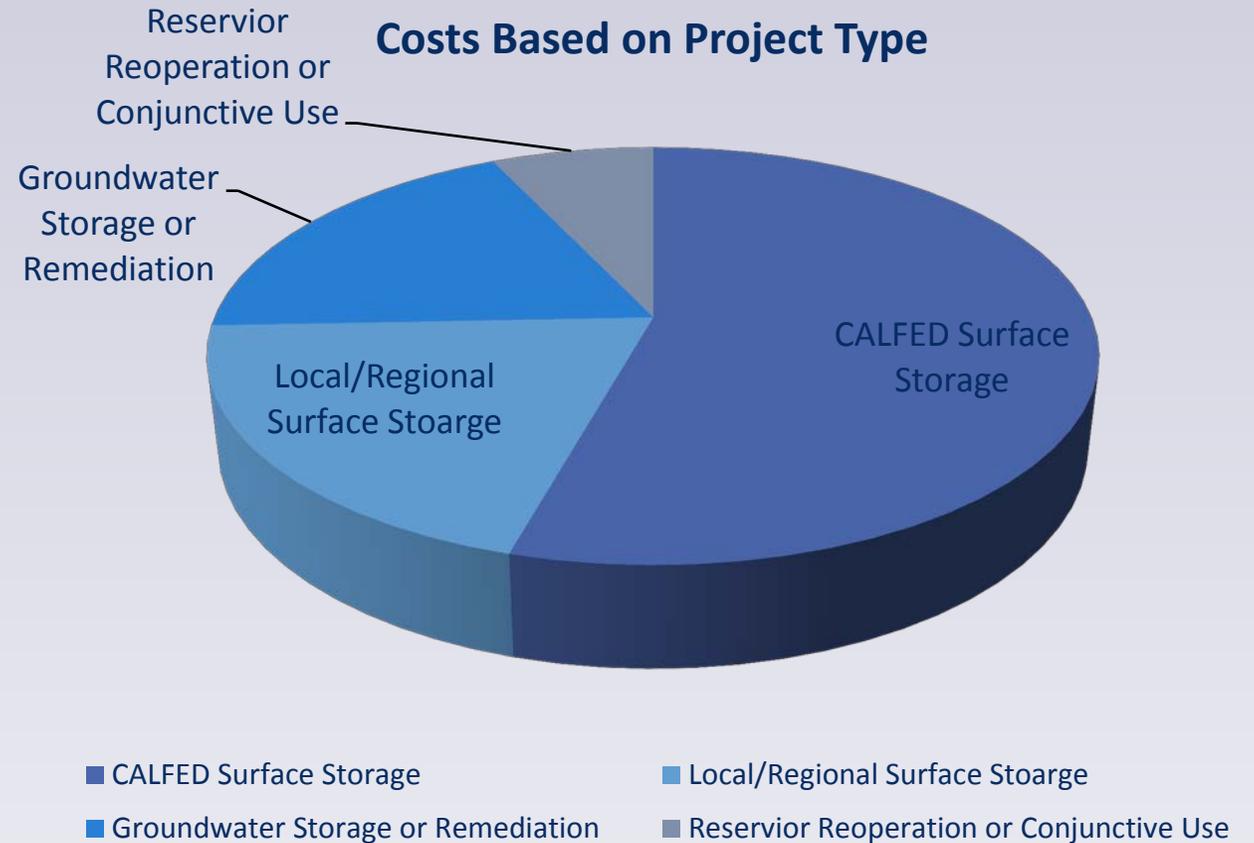
Project Type	Reponses	Percent
CALFED Surface Storage	3	2%
Local/Regional Surface Storage	47	38%
Groundwater Storage and Remediation	61	50%
System Reoperation or Conjunctive Use	12	10%



- CALFED Surface Storage
- Local/Regional Surface Storage
- Groundwater Storage or Remediation
- Reservoir Reoperation or Conjunctive Use

Project Costs Based on Project Type

Project Type	Costs	Percent
CALFED Surface Storage	\$7,016M	54%
Local/Regional Surface Storage	\$2,585M	20%
Groundwater Storage and Remediation	\$2,401M	19%
System Reoperation or Conjunctive Use	\$907M	7%



Preliminary Findings

- Stakeholders and potential applicants needs more information on the Water Storage Investment Program
- Applicants need information on project eligibility requirements of Proposition 1 – technical and program assistance will be critical
- Majority of projects projecting completion of feasibility studies and environmental documents within 5 years
- Project “readiness” for most respondents coincides with preliminary WSIP schedule

Public Participation is Critical

- Commission meetings and workshops
- Water Project Scoping Survey
- Public Meetings Statewide
- Stakeholder Advisory Committee
- Other opportunities/Commission website