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Water Commission increases potential funding amounts for projects in the Water Storage Investment Program

The California Water Commission has increased the potential funding amounts for two groundwater storage projects in the [Water Storage Investment Program](#) (WSIP). The Kern Fan Groundwater Storage Project and the Willow Springs Water Bank and Conjunctive Use Project are now conditionally approved to receive [Proposition 1](#) funding equal to their eligible amount as determined during the application review in 2018, if they complete the statutory requirements.

Proposition 1, approved by California voters in 2014, directed the Commission to create a competitive process for funding water storage projects based on their public benefits. The projects were evaluated and ranked on criteria established in the WSIP [regulations](#). In 2018 the California Water Commission approved Maximum Conditional Eligibility Determinations (MCEDs) for eight projects. Projects that qualified as Rank 2 received MCEDs equal to their eligible amount, while Rank 3 projects, which include Kern Fan and Willow Springs, were conditionally awarded less than they were eligible for due to a shortage of funds.

In October 2020, the Temperance Flat Reservoir Authority (TFRA) formally withdrew from the WSIP, stating that the timing of WSIP statutory program requirements no longer aligned with the status of the Temperance Flat Reservoir project and the WSIP funding source would not be usable by the project. At the January 20, 2021, Commission meeting, the Commission voted to redirect a portion of the TFRA MCED amount to bring the Kern Fan and Willow Springs MCEDs up to their eligible amount. The Kern Fan Groundwater Storage Project was eligible for \$85,660,000 and received an initial MCED of \$67,537,315. Willow Springs was eligible for \$123,290,000 and received an initial MCED of \$95,405,999.

The Commission also voted to adjust the MCEDs of all existing projects to account for inflation at approximately 2.5 percent (inflation of approximately 10 percent has occurred compared to the cost estimates contained in the applications).

Project	2.5% Inflation Adjustment
Chino Basin Conjunctive Use Program	\$5,172,500
Harvest Water Program	\$7,012,500
Kern Fan Groundwater Storage Project	\$2,141,500
Los Vaqueros Reservoir Expansion Project	\$11,475,000
Pacheco Reservoir Expansion Project	\$12,113,750

Sites Project	\$20,409,442
Willow Springs Water Bank and Conjunctive Use Project	\$3,082,250
Inflation Adjustment Total	\$61,406,942

“This decision will help all of the water storage projects move forward as they work to complete their eligibility requirements,” said Commission Chair Teresa Alvarado. “All of the projects face challenges during this economic downturn, and seeing the projects succeed is important to the Commission and vital to the future of the state's water supply.”

With approximately \$64 million in available funding remaining, a screening process has begun that will allow the Commission to receive conceptual submittals before the statutory deadline of January 1, 2022. In order to meet the WSIP’s January 1, 2022, requirements, it is recommended and encouraged that project proponents submit screening proposals to Commission staff no later than October 22, 2021. The Commission could then decide to perform any needed rulemaking prior to opening a second solicitation.

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The nine-member California Water Commission uses its public forum to explore water management issues from multiple perspectives and to formulate recommendations to advise the director of the California Department of Water Resources, and as appropriate, the California Natural Resources Agency, the Governor and Legislature on ways to improve water planning and management in response to California’s changing hydrology. For more information regarding the California Water Commission visit cwc.ca.gov.