



**Water Storage Investment Program Frequently Asked Questions**  
*November 2018*

**Q1: Where are we in the Water Storage Investment Program (WSIP) and what are the next steps?**

**A1:** At the July 2018 meeting, the Commission approved maximum conditional funding amounts for eight projects that would boost California's water storage capacity by 4.3 million acre-feet. The projects range from expanding existing reservoirs to boosting groundwater storage to building 21st century surface storage facilities. To obtain a final funding award from the Commission, applicants must complete the remaining Proposition 1 requirements, including final permits and final environmental documents, contracts for the administration of public benefits, and contracts for non-Proposition 1 funding before returning to the Commission for a final award hearing.

**Q2: When will the storage projects be built?**

**A2:** As noted above, applicants are responsible for completing the remaining Proposition 1 requirements. As a result, each applicant's timeline to construction and operation may be different. Some projects may be online within two years, while others will take longer. Applicants will provide quarterly progress reports to the Commission, and the information will be used to update project timelines on the Commission's website.

**Q3: What decisions did the Commission make regarding early funding?**

**A3:** Proposition 1, Chapter 8 (Water Code Section 79755(c)) and the WSIP regulations (section 6010) allow for a portion of the Commission's maximum conditional eligibility determination (MCED) to be awarded prior to the final funding hearing in order to assist with permits and environmental documents. At the July 2018 meeting, the Commission considered early funding requests from four applicants and awarded early funding to three: Sites Project (\$40.8 million), Los Vaqueros Reservoir Expansion Project (\$13.6 million) and Pacheco Reservoir Expansion Project (\$24.2 million).

**Q4: How does the Commission ensure the early funding awarded is spent consistently with Proposition 1 early funding provisions.**

**A4:** Early funding is governed by an agreement between the funding recipient and state that outlines a scope of work, schedule and budget. Invoices are reviewed by Commission staff to ensure charges are eligible and consistent with the scope of work. In addition, recipients of early funding must match the WSIP funds with at least 50 percent from other sources of funding. WSIP funds will be paid on a reimbursement basis, after applicants incur costs. The Commission cannot provide funds in advance of a cost being incurred which also helps ensure the expenditures match the intended purpose.

**Q5: What incentives does an applicant have to make progress toward final funding?**

**A5:** Beyond the applicants' own desires to build their projects as quickly as possible, they must also meet a statutory deadline to ensure progress. By January 1, 2022, applicants must have complete feasibility studies, a draft version of their environmental documents released for public review, and commitments for at least 75 percent of the non-program funding. It's important to note that applicants do not need to wait until 2022 to meet these intermediate requirements. Additionally, the regulations specify that the Commission has the discretion to determine a project is not making sufficient progress toward final funding and rescind its maximum conditional eligibility determination.

**Q6: With each project progressing on a different schedule how do I know the progress an applicant is making?**

**A6:** You can follow the progress of each project at <https://cwc.ca.gov/>. In addition, you can stay current on program announcements and other Commission activities by signing up for our LISTSERV at [cwc@water.ca.gov](mailto:cwc@water.ca.gov).

**Q7: Will the Commission be visiting project locations?**

**A7:** The Commission's ex-parte policy is in effect until the Commission determines a final funding award. The Commission must act as a body to decide if or when it will perform a site visit prior to the final funding hearing.