



Water Storage Investment Program: Projects Update

Introduction

The California Water Commission (Commission) administers the Water Storage Investment Program (WSIP) to fund the public benefits associated with water storage projects using funds from the Proposition 1 Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1). Applicants within the Water Storage Investment Program (WSIP) are advancing their projects to meet Proposition 1 requirements before returning to the Commission for final award hearings. The projects are all on different timelines: potential final award dates range from the current year to 2027. At the February 2023 Commission meeting, Commissioners expressed an interest in hearing regular updates on the progress of the WSIP projects to increase transparency of project status and help Commissioners remain engaged in the WSIP. The Commission retains the discretion to determine if an applicant is not making sufficient progress toward completing these requirements and is no longer eligible for the funding. (Cal. Code Regs., tit. 23, §6013, subd. (f)(1).)

Background

Through the WSIP, the Commission will invest nearly \$2.6 billion in the public benefits of water storage projects, consistent with the requirements of Proposition 1, Chapter 8. In July 2018, the Commission made Maximum Conditional Eligibility Determinations (MCEDs), decisions that set the amount of Proposition 1 funding potentially available to each project. One project received a final award at the June 2023 Commission meeting. The six remaining WSIP applicants successfully met the Proposition 1, Chapter 8 interim requirements by the deadline of January 1, 2022 and are working to complete the remaining statutory requirements. These include obtaining permits and completed environmental documents, executing contracts for the administration of public benefits, and completing contracts for non-public benefit cost share. Once these requirements are complete, each remaining WSIP applicant will return to the Commission for a final award hearing.

Recent actions have brought more attention to the status of water storage projects. In August 2022, Governor Newsom released the Water Supply Strategy that contained actions to help the State adapt to a hotter, drier climate. Among the storage-related actions is the creation of an interagency strike team to facilitate State permitting and support completion of the WSIP projects. Earlier this year, the state experienced multiple atmospheric rivers. These storm events demonstrated the swing between dry and wet extremes the State can experience: In the midst of drought, a large precipitation event with flooding can occur. These events have drawn

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public attention to the opportunity of using storage to capture and store water when it is available.

This agenda item implements Goal Four of the Commission's Strategic Plan, which calls on the Commission to carry out its statutory responsibilities for WSIP.

Meeting Overview

At the November meeting, staff will provide an update on projects in the WSIP so the Commission can hear public comment on WSIP projects, assess progress, ask questions, direct staff, or invite applicants to supply specific information to the Commission for its consideration.

This is an informational item.

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