Agenda Item: 11

Meeting Date: April 17, 2024

Page 1



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). WSIP applicants are advancing their projects to meet Proposition 1 requirements before returning to the Commission for final award hearings. The projects are on different timelines: potential final award dates range from 2024 to 2027. Commission staff regularly updates the Commission about 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 final award requirements and is no longer eligible for WSIP funding. (Cal. Code Regs., tit. 23, §6013, subd. (f)(1).)

Background

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, through the WSIP. The Commission made Maximum Conditional Eligibility Determinations (MCEDs) in July 2018, which 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.

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.

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.

Agenda Item: 11

Meeting Date: April 17, 2024

Page 2

Meeting Overview

At the April 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 at a later meeting.

This is an informational item.

Contact

Amy Young Program Manager California Water Commission (916) 882-2399