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Water Storage Investment Program: Projects Update

Agenda Item at a Glance

- The <u>Water Storage Investment Program</u>, called "WSIP," implements part of Proposition 1, passed by voters in 2014, codified at Water Code section 79750 et seq. to fund the public benefits of water storage projects. "Public benefits" are the ways in which water storage projects provide benefits to Californians broadly, such as cleaner water, new recreational opportunities, and improvements to the land and water fish and wildlife need to survive, and are defined in Water Code section 79753. Water storage projects include dams and underground water storage.
- Commission staff will provide the most recent information about the seven projects that are part of WSIP, including the timeline for constructing the projects, the next steps that projects need to take, and any challenges they face. Background information about the projects that are part of the WSIP is available at this link, on the right side of the webpage.
- This is an informational agenda item, important to anyone interested in the progress of the seven WSIP projects.
- At this meeting, the Commission will receive information from Commission staff who will be
 presenting the agenda item. Commissioners can ask questions of Commission staff, and
 they can direct staff to bring more information to the Commission at a future meeting.
 Tribes and the public will have an opportunity to make a comment to the Commission
 before the Commission discusses this agenda item.

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). One project has received final funding and is currently under construction. Most of the other WSIP applicants are advancing their projects to meet Proposition 1 requirements before returning to the Commission for final funding hearings. One of the projects, the Los Vaqueros Expansion Project, will be addressed in Item 11 of this meeting. The projects are on different timelines: potential final funding dates range from 2025 to 2027. Commission staff regularly update the Commission about the progress of the WSIP projects to provide transparency around each project's status and to help Commissioners understand project progress toward a final funding hearing. The Commission retains the discretion to

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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, $\S6013$, 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), 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 Proposition 1 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.

This agenda item is related to Goal One of the <u>Commission's Strategic Plan</u>, which calls on the Commission to implement the WSIP to achieve public benefits.

Meeting Overview

At the January 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

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