



**CALIFORNIA WATER COMMISSION
PROCESS FOR DEVELOPING METHODS TO QUANTIFY
PUBLIC BENEFITS OF WATER STORAGE**

The Water Quality, Supply and Infrastructure Improvement Act of 2014 would require the California Water Commission to develop and adopt methods for quantifying public benefits associated with water storage projects.

While this Act has not yet been enacted, the Commission has begun this process within its general authority as and has already completed specific elements of the work as outlined in the Act. The Commission intends to use this process to determine the public benefits of water storage, for use in future state investments from bonds or other funding sources.

Work to date:

- Description and Screening of Potential Tools and Methods to Quantify the Public Benefits of Water Storage Projects – The Commission has developed tools and methods to guide the economic analysis of the public benefits of water storage projects.
- Priorities of the State Water Resources Control Board and Department of Fish and Wildlife – The Commission has consulted with the State Water Board and DFW on draft priorities for incorporation into regulations and guidelines.
- Draft Regulations – The Commission has developed initial draft regulations and held an informal public review period. These would be a starting point for further discussion and development.
- Draft Guidelines – The Commission has developed draft Guidelines that would guide the grant program associated with the bond and held an informal public review period. However, as draft guidelines, further discussion is warranted.

Future process:

- Finalize draft regulations and begin the formal rulemaking process – The Commission would need to perform additional work to finalize a draft of the regulations for submittal to the Office of Administrative Law to begin the formal public review process.

- Finalize the draft guidelines - Critical elements of the Guidelines including the process for project review, and the weighting and prioritization of public benefits need additional work - to be developed through a process including public review and consultation with stakeholders.
- Develop a project solicitation package – The project solicitation package (PSP) would provide clear and detailed instructions to applicants regarding the application process and required materials. PSP development would include a public review period.
- Expert Panel Review – All projects submitted to the Commission would be reviewed by a panel of experts who would review the technical components of the application to ensure that the claimed public benefits would actually be provided.
- Commission Hearings – The Commission would consider the project application, expert panel review, and public testimony during a formal hearing process on proposed projects.
- Benefits Monitoring Program – The Commission would develop a benefits monitoring program to ensure that funded projects provide the public benefits claimed.