

BRIEF MEETING SUMMARY

Stakeholder Advisory Committee (SAC)

Water Storage Investment Program (WSIP)

California Water Commission (Commission)

August 5, 2015

Prepared by the Sacramento State, Center for Collaborative Policy (CCP)

Introduction

The SAC held its fifth meeting on August 5, 2015. The objectives of the meeting were:

- Continue discussion of common assumptions for project analysis
- Continue discussion of approach to assess net improvements
- Learn about and provide preliminary suggestions on elements of regulation package
- Review updates on program definitions and priorities
- Hear preliminary information about approach to manage and monitor public benefits

Action Items

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| By August 10, 5:00 pm | All SAC members that wish to provide written feedback on documents prepared / distributed for the August 5 meeting should provide said comments in MS Word Track Changes to CCP. These comments will be compiled and provided to the Commission in advance of their August 19 meeting. |
| By August 12, 5:00 pm | All SAC members that wish to provide comments in the form of a comment letter from their respective organization should provide said letter to CCP. These letters will be provided to the Commission in advance of their August 19 meeting. |
| By August 19, 5:00 pm | All SAC members that wish to provide input for Commission consideration at their September 16 meeting should provide said input to CCP. |

Major Themes

Introduction of Draft Evaluation Criteria

- Several SAC members anticipate the Commission's difficulty finding independent technical reviewers that do not have real and/or perceived conflict of interest issues. In addition, they recommended that independent reviewers from out of state must have knowledge of the water system and issues in California. Some members recommended the Commission reconsider its decision to use a standard Request for Qualifications process to solicit reviewers. They suggested that project staff engage in a more proactive canvassing process to best identify likely candidates.

Discussion: Common Assumptions for Project Analysis

- Several SAC members expressed concern that smaller projects will not be able to meet the proposed project analysis requirements. They highlighted the cost of doing this level of compliance documentation as the primary reason many may not be able to apply.
- Other SAC members supported the direction project staff is taking to set the bar high for analysis and metrics.
- SAC members supported providing flexibility to applicants on their choice for analysis techniques and that said analysis should remain the purview of lead compliance agencies rather than the Commission.
- A few SAC members expressed concern that it seems like the Commission has “resolved” some key issues in advance of said issues being fully vetted by the SAC. Project staff reviewed the status of SAC discussions and subsequent input provided to the Commission. Staff clarified that while the Commission has provided direction to staff on specific issues, no issues are fully resolved by the Commission until they approve final draft regulations. Additionally, the SAC will have an opportunity to review and provide feedback on draft regulation language before it is reviewed by the Commission.
- One SAC member expressed concern over the monetization of ecosystem benefits and questioned whether this is necessary and beneficial.
- Several SAC members expressed a need to do further work on the guidance around Common Assumptions, as some sections of the draft Issues Papers need more specificity.
- One SAC member advocated for the project staff to provide additional guidance about groundwater storage projects to help them better integrate their projects and apply for funding since said projects are very different from surface storage efforts.

Discussion: Net Improvements to Water Quality and Ecosystem Benefits

- Some SAC members emphasized that Proposition 1 is clear that funding for compliance and mitigation is only available for impacts created by new water storage projects and that said funding is not available for applicants to support existing compliance standards.
- Other SAC members pointed out that water storage projects will need funding to comply with mitigation obligations they are responsible for but did not cause.

Introduction and Discussion: Regulation Package

- Two SAC members stated support for project staff not moving the application submittal date regardless if the Office of Administrative Law process is completed early. They cautioned that moving the time line for submitting final applications would negatively affect project proponents’ ability to provide all necessary documentation.

Update on July Commission Meeting

- Two SAC members indicated support for the Commission allowing project proponents to analyze recreation benefits quantitatively by visitor day and qualitatively through other means.

Update on Definitions

- Several SAC members voiced support for the proposed definition of conjunctive use projects.
- One SAC member recommended project staff remove the requirement for intentional recharge in the conjunctive use project definition because some projects recharge naturally.

- Several SAC members expressed concern about the proposed definition of groundwater projects. Many explained that the proposed definition would reduce the number of potential groundwater project applicants. They noted there are many other groundwater projects that do not simply 'bank' water and that are unrelated to conjunctive use.

Brief Introduction: Monitoring and Managing for Public Benefits

- One SAC member recommended that project staff consider adding a requirement to submit an Adaptive Management Plan to account for the changes in compliance conditions (e.g., improved water quality conditions resulting from existing mitigation).
- Another SAC member voiced support for developing a unified contract between the Department of Water Resources, the State Water Resources Control Board, the Department of Fish and Wildlife, and the applicant rather than having three separate contracts for each project. This would help reduce the amount of work that will be required and reduce redundancy between the contracts.
- One member recommended that applicant contracts include third party rights of enforcement to help ensure the projects provide public benefits as committed.