

BRIEF MEETING SUMMARY

Stakeholder Advisory Committee (SAC)

Water Storage Investment Program (WSIP)

California Water Commission (Commission)

October 7, 2015

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

Introduction

The SAC held its seventh, and final, meeting on October 7, 2015. They discussed the most current version of the WSIP Working Draft Regulations, including the newly incorporated priorities and relative environmental values (REVs) from the California Department of Fish and Wildlife (CDFW) and the State Water Resources Control Board (State Water Board). Of the 31 SAC members, 18 members or their alternates attended. Dave Ceppos, Associate Director for CCP, facilitated the meeting. Commissioner Daniel Curtin and Commission Executive Officer Paula Landis were also present.

Major Themes

A major theme outside of specific discussion about the Working Draft Regulation sections (see next section) is the topic of how large and small projects will be addressed in the WSIP application and funding process. This topic was raised early in the meeting by Commissioner Curtin and was commented on by SAC members several times throughout the day. Stakeholders questioned how “large” and “small” will be defined and further, if defined, whether all projects will be required to carry out the same level of analysis and project compliance. Additional issues raised by SAC members included:

- whether “small” projects can afford to conduct equivalent levels of review and analysis as “large” projects;
- whether their anticipated benefits will be big enough to warrant funding when set against proposed benefits of “large” projects; and
- whether there needs to be a better way to integrate multiple small projects such that the cumulative benefits of such projects can be calculated.

Draft Regulation Article 1 Definitions, Section 6000

- SAC members had comments and questions on several definitions for the Working Draft Regulations. This is a summary of the most discussed definitions.
 - (a) adaptive management
 - One SAC member expressed concern that the current definition for “adaptive management” is not specific enough to prevent projects from changing project elements to suit socio-political changes. She indicated that she preferred this definition only account for uncertainties in water system dynamics.
 - (q) conjunctive use
 - A few SAC members expressed concern about requiring conjunctive use projects to connect to an existing reservoir facility. They explained that many conjunctive use projects could occur without connection to a reservoir facility (i.e. recharge basins or direct access to surface water flows). Based on the current definition, these projects would not be eligible for WSIP funding. They recommended that

staff remove reference to “existing surface water reservoirs” and change it to “existing surface water”.

- (x) delta outflow
 - One SAC member pointed out that the definition of “delta outflow” relies on the 2006 Water Quality Control Plan (WQCP) for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (Bay-Delta) and that may change. This member suggested expanding that to accommodate future WQCPs. Project Staff explained they would consult with the State Water Board on this definition.
- (rr) local/regional surface storage project
 - One SAC member expressed concern that the current definition for “local/regional surface storage project” limits the geographic scope and the ability of projects to integrate. She suggested revising the definition to define a local storage project as owned by an entity apart from the State Water Project or the Central Valley Project.
- (www) State water system
 - One SAC member asked whether the definition of the “State water system” included public and private facilities. SAC members and staff concluded that the definition of State water system should likely include both types of facilities, especially since mutual water companies are eligible for WSIP funding.

Draft Regulation Article 2 Guidelines, Section 6001 Eligibility

- One SAC member proposed that regulations state which documents are confidential. Another SAC member recommended that the public be able to appeal the confidentiality of any document.

Draft Regulation Article 2 Guidelines, Section 6002 General Selection Process

- Another SAC member recommended that the regulations identify explicitly what the Commission’s discretion will be if project applicants do not return requested information in the 14 day timeframe.
- One SAC member stated that he believed that the reference to compliance and mitigation in (c)(6)(iii)(1) is not consistent with Proposition 1.
- One SAC member recommended Project Staff clarify wherever there is reference to “least cost alternative”, it should state that the Commission will fund up to the least cost alternative. This member also questioned whether this is an appropriate way to address “cost efficiency”. The WSIP’s economic consultant confirmed that this is a traditional way to address cost efficiency.

Draft Regulation Article 2 Guidelines, Section 6003 Funding Commitment

- One SAC member asked Project Staff to consider how the Commission will use the public input obtained through requirements in 6003(b).
- Another SAC member proposed that the regulations require applicants to seek approval for any changes to the estimated magnitude of public benefits made after the soft commitment. These changes should result in a lower project ranking and be reviewed by the public.

Draft Regulation – Article 3 Quantification and Management of Benefits, Section 6004 Quantification of Benefits

- One SAC member suggested Project Staff clarify what data they require in an applicant’s description of the without-project future conditions.
- Several SAC members expressed concerns about climate change analysis in the regulations.
 - Some SAC members expressed concern that the quantification of benefits does not include calculated benefits based on climate change.
 - Another SAC member expressed concern that the regulations recommend climate change data that is likely to change overtime.
 - One SAC member supported providing data sets or references to data sources in the technical appendix.
- One SAC member expressed concern that reference to compliance and mitigation in (a)(1)(iii) limits the Commission’s discretion.

Draft Regulation Article 3 Quantification and Management of Benefits, Section 6005 Priorities – Focus on Ecosystem Priorities

- One SAC member pointed out that the priorities presented by CDFW may change in the future. As a result, it is more important to ensure the sustainability of water assets (i.e. supply capacity, conveyance and infrastructure) for these and any other priorities.
- One SAC member supported CDFW prioritizing issues of flow.

Draft Regulation Article 3 Quantification and Management of Benefits, Section 6005 Priorities – Focus on Water Quality Priorities

- A few SAC members suggested the State Water Board clarify Priority #6. They noted that “restore” should explicitly refer to restoring ground water quantity in high and medium groundwater basins identified by California Statewide Groundwater Elevation Monitoring (CASGEM) (rather than what might be implied that “restore” addresses water quality), and that the “or” in the sentence should be changed to either “and” or, “and/or”.
- One SAC member suggested the State Water Board determine how it can monitor projects for the durability of providing water for human benefit.
- One SAC member expressed disapproval for how the draft regulations address compliance and mitigation obligations, noting many of the priorities are compliance obligations.
- Another SAC member suggested that the State Water Board remove Priority #8 because it will not improve water in rivers or in the Bay-Delta.

Draft Regulation Article 3 Quantification and Management of Benefits, Section 6006 Relative Environmental Value – Focus on Ecosystem Improvements

- Several SAC members expressed concern about the lack of enforcement mechanisms to ensure grantees continue to provide public benefits in perpetuity.
- One SAC member recommended the regulations include a statement indicating that all priorities are of equal importance.

Draft Regulation Article 3 Quantification and Management of Benefits, Section 6006 Relative Environmental Value – Focus on Water Quality Improvements

- One SAC member recommended that the State Water Board clarify REV #11. Specifically, he suggested the State Water Board clarify the meaning of “addressed”.
- Another SAC member suggested that the State Water Board rewrite REV #11 to match Priority #6.

Draft Regulation, Article 3 Quantification and Management of Benefits, Section 6007 Managing Public Benefits

- Several SAC members reiterated their concerns about the lack of enforcement mechanisms to ensure grantees continue to provide public benefits.
 - Some indicated that Project Staff should include these mechanisms within the regulations. Others indicated that the regulations should at least state that projects will be held accountable for providing public benefits.
 - One SAC member explained that Project Staff should provide project proponents with information on any enforcement mechanisms.
 - One SAC member voiced support for third party enforcement of contracts.
 - One SAC member expressed concern that the draft regulations do not provide a mechanism to address regulatory changes that may affect a project’s ability to provide public benefits.