

Water Storage Investment Program

Agenda Item #8 Commission Direction on Recommended Concepts and Outstanding Issues Related to WSIP Regulations

October 18, 2016

Application Process

- Comments – 17 comments regarding process being too prescriptive and requiring too much information leading to excessive application costs
- WSIP Regulation Sections – 6003, 6004

Application Process

Staff Recommendation:

- Review application contents and review process and remove items unnecessary items.

Management of Public Benefits

- 8 comments regarding lack of information in the Management of Public Benefit Section.
- WSIP Regulation Sections – 6014

Management of Public Benefits

Staff Recommendation:

- Make additions to section 6014
 - Reporting to the Commission
 - Agency contract
 - Monitoring Data and Reporting
 - Adaptive Management Plan required
- Second set of regulations for Administration of Public Benefit, Water Code section 79753(a)(3)

Project Evaluation and Scoring

- 13 comments regarding scoring elements and need for improvement
- WSIP Regulation Sections – 6004, 6008, Technical Reference
- 2 comments regarding identification of contracts to be amended to ensure ecosystem improvement in the Delta or tributary.
 - Include other mechanisms in addition to contracts.
- WSIP Regulation Section – 6003 (a)(1)(L)

Project Evaluation and Scoring

Staff Recommendation:

- Better explain process and application of normalization
- Grading on a curve

Application	A	B	C	D	E	max
Public Benefit Ratio	2.7	2.8	3.9	1.8	2.5	3.9
Normalize to 40 point scale	28	29	40	18	26	

Project Evaluation and Scoring

Staff Recommendation (continued):

- Remove Water Storage Improvement component
 - Do not use deliveries
- Separate Non-Monetized Benefit from Resiliency
 - Non-Monetized Benefit score tied to Public Benefit Ratio score

Project Evaluation and Scoring

Staff Recommendation (continued):

- Resiliency 3 components
 - Integration
 - Increase in System Flexibility
 - Uncertain Future
 - Uncertainty analysis (already required)
 - Drought period
- Redistribute component point values

Project Evaluation and Scoring

Staff Recommendation for identifying improvements to the Delta:

- Add additional verbiage including water rights identification
 - It is critical to ensure real mechanism and willing partners are identified to ensure Delta benefits or its tributaries receive benefits

Commission Decision Making Process and Public Involvement

- 6 comments regarding Commission decision making process, discretion, and public involvement
- WSIP Regulation Sections – 6011

Commission Decision Making Process and Public Involvement

Staff Recommendation:

- Add clarifying language regarding Commission activities and public participation.
- Clarify that staff is providing draft work to Commission. Commission can change staff work in conjunction with public participation.
- Clarify Commission decisions making based on consideration of information provided by applicant, staff, and public.

Questions for Initial Issues

Public Comment for Initial Issues

Commission Discussion and Direction for Initial Issues

Climate Change

- 17 comments indicating:
 - The climate change 2030 and 2070 requirement is too prescriptive and costly.
 - Support quantitative analysis vs. sensitivity analysis
 - The approach is too uncertain. Should use sensitivity analysis instead.
 - Quantitative analysis should continue beyond 2080.
 - Should require a stress test since wettest and driest conditions become diluted.
 - Averaging is incorrect and doesn't capture extremes.
- WSIP Regulation Sections – 6004, Technical Reference

Climate Change

Staff Recommendation:

- Maintain the current quantification and monetization procedures that incorporate climate change.
 - Change in climate to this point
 - How averaging is used
 - Balancing future uncertainty and evaluation of benefit
 - Consistency for comparability
 - Tools to mitigate additional effort
- Use of quantitative data in resiliency component score

Questions for Climate Change

Public Comment for Climate Change

Commission Discussion and Direction for Climate Change

Mitigation and Compliance Obligations

- 16 comments regarding mitigation and compliance obligations.
 - January language be reinstated
 - Use of “existing” and “new” is confusing and inconsistent with Proposition 1.
 - Add biological opinion to definition
- WSIP Regulation Sections – 6001, 6004, Technical Reference

Mitigation and Compliance Obligations

Not always simple

- Improving the State Water System overlap
- Need more benefit than breaking even
- Not one size fits all

Mitigation and Compliance Obligations

Staff Recommendation:

- Provide mitigation and compliance base for application
 - Compliance and Mitigation related to SWP/CVP
 - Utilize required modeling run
 - Would also include non-flow related obligations of SWP/CVP

Mitigation and Compliance Obligations

Staff Recommendation (continued):

- Rely on application process to fully vet
 - Require disclosure of what mitigation and compliance obligations
 - Modification of public benefit ratio – Staff, CDFW, SWB
 - Public benefit ratio appeal - Applicant
 - Public can comment regardless of appeal
 - Commission decides after considering all of the above
 - Commission make appropriate changes
 - Not confined to public benefit ratio

Questions for Mitigation and Compliance Obligations

Public Comment for Mitigation and Compliance Obligations

Commission Discussion and Direction for Mitigation and Compliance Obligations

**Wrap up and missing
comments not yet discussed**