



Sent via ELECTRONIC MAIL to WSIPcomments@cwca.ca.gov

December 7, 2016

Mr. Joe Yun
 California Water Commission
 P.O. Box 924836
 Sacramento, CA 94236

Re: Association of California Water Agencies' Comments regarding California Water Commission Revised Draft Water Storage Investment Program Regulations dated November 22, 2016

Dear Mr. Yun:

The Association of California Water Agencies (“ACWA”) appreciates the opportunity to comment on the California Water Commission (“CWC” or “Commission”) revised draft Water Storage Investment Program (“WSIP”) regulations dated November 22, 2016 (“revised draft Regulations”). ACWA represents over 435 public water agencies that collectively supply approximately 90% of the water delivered for domestic, agricultural and industrial uses in California.

ACWA actively participated in the development of Proposition 1 and advocated for the inclusion of Chapter 8’s \$2.7 billion to be allocated for the “public benefits associated with water storage projects that improve the operation of the state water system, are cost effective, and provide a net improvement in ecosystem and water quality conditions, in accordance with [Chapter 8 of Proposition 1].” (Water Code § 79750(b).) ACWA recognizes the substantial effort that has been dedicated by the Commission and CWC staff to the development of the revised draft Regulations. We also appreciate the inclusion of several revisions in the revised draft Regulations that are consistent with ACWA’s previous comments.

Chapter 8 sets the stage for the most significant investment in California water storage in a half-century. The Commission has been charged with the responsibility of allocating the Chapter 8 funds for the public benefits of water storage projects. It is, however, critical to note that any project which will be funded through the WSIP must also secure substantial local and regional

funding and support from project proponents. For project proponents, these water storage projects will be essential to enabling enhanced regional and local water supply strategies and achieving key water management objectives, including groundwater sustainability goals.

The Commission, project proponents, and the public have a shared interest in ensuring that the WSIP process continues to move forward. ACWA encourages the Commission to adopt the revised draft Regulations by the December 15, 2016 deadline set forth in Proposition 1. (Water Code § 79754.)

Moving forward, the CWC should ensure that the WSIP is implemented in a timely and efficient manner. In order to enhance the Commission's ability to consider funding the public benefits of storage projects that are diverse in type, scale, location and function, the CWC's implementation activities should preserve the Commission's full statutory discretion over allocation decisions for fundable public benefits, including public benefits associated with environmental mitigation measures and compliance obligations as provided under Water Code section 79753(b).

As the WSIP enters the implementation phase, the CWC should also closely coordinate with other state agencies with roles and responsibilities under Chapter 8, including the Department of Fish and Wildlife and the State Water Resources Control Board. This coordination will be critical if the WSIP is to realize its purpose of improving the operation of the state water system and providing net improvements in ecosystem and water quality conditions.

ACWA appreciates the substantial ongoing efforts of the Commission and CWC staff related to the WSIP. ACWA and potential WSIP applicants would welcome additional opportunities to assist the Commission and CWC staff on any issues related to the implementation of the WSIP. If you have any questions regarding this matter, please contact me at daveb@acwa.com or (916) 441-4545.

Sincerely,



David E. Bolland
Director of State Regulatory Relations

cc: The Honorable Joseph Byrne, Chair, California Water Commission
The Honorable Joe Del Bosque, Vice-Chair, California Water Commission
The Honorable Carol Baker, Commissioner, California Water Commission
The Honorable Andrew Ball, Commissioner, California Water Commission

The Honorable Daniel Curtin, Commissioner, California Water Commission
The Honorable Paula Daniels, Commissioner, California Water Commission
The Honorable Maria Herrera, Commissioner, California Water Commission
The Honorable David Orth, Commissioner, California Water Commission
The Honorable Armando Quintero, Commissioner, California Water Commission
Ms. Taryn Ravazzini, Acting Executive Officer, California Water Commission
Mr. David Gutierrez, Chief, Division of Safety of Dams, Department of Water Resources