



***The Metropolitan Water District of Southern California
Executive Office***

November 10, 2016

Mr. Joe Byrne, Chairman
California Water Commission
1416 Ninth Street
Sacramento, CA 95814

Dear Chairman Byrne and Commission Members:

Revised Draft Water Storage Investment Program Regulations (11/7/16 Draft)

The Metropolitan Water District of Southern California (Metropolitan) appreciates the opportunity to provide further comment on the Water Storage Investment Program (WSIP) revised draft regulations for allocation of Proposition 1, Chapter 8 funds. Metropolitan has actively participated in your stakeholder process throughout the development of the draft WSIP regulations.

We support the comments submitted by the Association of California Water Agencies on October 3, 2016. In addition, Metropolitan provides the following comments for consideration as you move forward toward adoption of the required WSIP regulations:

Background. Metropolitan is a regional wholesaler that delivers water to 26 member public agencies serving nearly 19 million people living in Los Angeles, Orange, Riverside, San Bernardino, San Diego and Ventura counties. Metropolitan is governed by a 37-member board of directors representing the 26 member agencies consisting of 14 cities, 11 municipal water districts and one county water authority, which collectively serve the residents and businesses of more than 300 cities and numerous unincorporated communities.

Metropolitan owns and operates the Colorado River Aqueduct and imports water from the Feather River in Northern California and the Colorado River to supplement local supplies. It also provides financial incentives to its member agencies for developing recycled water, storage, and other local resource programs to provide additional supplies and conservation programs to reduce regional demands. We currently deliver an average of 1.5 billion gallons of water per day to a 5,200-square-mile service area.

Preserving Flexibility in the Management of Environmental Water Assets. Metropolitan supports the funding of public benefits under the WSIP that provide a net improvement in ecosystem and water quality conditions. We further believe these environmental assets should be flexibly managed by the

state based on monitoring and best-available science to optimize the ecosystem benefits in the highly variable Sacramento-San Joaquin Delta watershed environment.

Consider Flexible Management During Project Scoring Process. Metropolitan recommends the Commission consider providing additional points during the project scoring criteria process for stored water that can be flexibly managed, under the best available science, to maximize targeted ecosystem benefits, including benefits that help further the state's co-equal goals of ecosystem restoration and water supply reliability in the Sacramento-San Joaquin Bay Delta. Flexible management, however, should not be a prerequisite for any Proposition 1 funding, but rather, a project should receive credit and funding to the extent an applicant demonstrates the availability and public benefits of such flexibly-managed water.

Flexible Management Requires Consultation with State/Federal Agencies and Storage Project Operators. Management of any environmental water storage should be undertaken in consultation with the relevant agencies, including California Department of Fish and Wildlife, the State Water Resources Control Board, U.S. Fish and Wildlife Service and the National Marine Fisheries Service, as well as the operators and beneficiaries of water storage facilities. We also recommend the Commission consider convening a group of scientific advisors, project beneficiaries and project operators to assist in the development of adaptive management goals.

Metropolitan acknowledges and appreciates the considerable effort the Commission has undertaken to advance the WSIP regulations. And we thank you for the opportunity to participate in the process. If you have any questions, please do not hesitate to contact me at 213-217-5786 or at rpatterson@mw2o.com.

Sincerely,



Roger K. Patterson
Assistant General Manager

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