



Public Benefits of Conveyance Projects Panel Discussion

Introduction

As directed by the Water Resilience Portfolio, the Commission is assessing a State role in financing conveyance projects to meet the needs of a changing climate. The Commission's work will result in a succinct paper describing key issues and mechanisms, including recommendations for state policymakers to consider as they weigh the financing options for water conveyance infrastructure. The paper will describe the essential criteria for resilient water conveyance projects that meet the needs of a changing climate, the potential public benefits of such projects, and the implications of various financing options.

The October Commission meeting initiated the phase of the Commission's work focused on gathering public input. During this phase, the Commission will hear from expert panels and lead regional public workshops, gathering information from experts and stakeholders to shape its recommendations. This phase is projected to conclude in the spring of 2021, and will be followed by drafting and finalizing the Commission's recommendations, with a projected end date of mid-2021.

At this meeting, the Commission will hear an expert panel on determining and assessing the public benefits on conveyance. Panelists speak to the public benefits of conveyance and proposed ways of thinking about how to prioritize and value them. The objective of the panel is to provide the Commission with information about how to identify public benefits based on policy priorities, examples of where this is being done already, and methods for valuing public benefits so that Commissioners are informed about how to consider coming up with a recommended list of public benefits that the state might fund and how the state could consider valuing those benefits.

Background

On July 28, 2020, the California Natural Resources Agency, California Environmental Protection Agency, and the California Department of Food and Agriculture issued the final [Water Resilience Portfolio](#) (portfolio) in response to Governor Newsom's Executive Order N-10-19, which calls for a "set of actions to meet California water needs through the 21st century." The portfolio outlines a broad suite of actions designed to move the state toward water resilience. The portfolio calls on the Commission to fulfill Action 19.4: assess a state role in financing conveyance projects that could help meet needs in a changing climate. Action 19.4 is embedded in a section of the portfolio that is focused on building connections, which includes

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actions designed to help increase physical connections and coordination between and among the decentralized elements of California's water system.

The Commission's work on conveyance implements Goal One of the Strategic Plan, which calls on the Commission to "serve as a primary public forum for the discussion of improving water management policy to assist regions in achieving climate resiliency ... including those actions of the Water Resilience Portfolio assigned to the Commission."

Meeting Overview

The Commission will hear from panelists on the public benefits of conveyance.

Laura Jensen, the Commission's Assistant Executive Officer, will present an overview of the topic of public benefits and questions for the Commission to consider.

The panelists will then speak to the public benefits to state taxpayers that may justify state financing of conveyance projects, including how to select public benefits based on policy priorities, how to determine if a state investment is warranted, how to apply lessons from the Water Storage Investment Program, how to consider economic stimulus, and how to value public benefits.

Panelists include:

- Dr. Richard McCann, Cofounder and Partner of M.Cubed
- Dr. Stephen Hatchett, Senior Principal Economist with ERA Economics
- Dr. David Sunding, Professor Emeritus at the University of California at Berkeley and President of The Brattle Group

This is an informational item.

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