



Water Storage Investment Program: Projects Update

Introduction

Applicants within the Water Storage Investment Program (WSIP) are advancing their projects to meet Proposition 1 requirements before returning to the Commission for final award hearings. The projects are all on different timelines: final award dates range from the current year to 2027. At the February 2023 Commission meeting, Commissioners voiced an interest in hearing regular updates on the progress of the WSIP projects to increase transparency of project status and help Commissioners remain engaged in the WSIP.

Background

Through the WSIP, the Commission will invest nearly \$2.6 billion in the public benefits of water storage projects, consistent with the requirements of Proposition 1 (the Water Quality, Supply, and Infrastructure Improvement Act of 2014), Chapter 8. In July 2018, the Commission made Maximum Conditional Eligibility Determinations (MCEDs), decisions that set the amount of Proposition 1 funding potentially available to a given project. The seven WSIP applicants successfully met the Proposition 1, Chapter 8 interim requirements (January 1, 2022) and are working to complete the remaining statutory requirements, which include obtaining permits and completed environmental documents, executing contracts for the administration of public benefits, and completing contracts for non-public benefit cost share. Once these requirements are complete, each WSIP applicant will return to the Commission for a final award hearing. As of June 2023, one project has received a final award from the Commission. Per program regulations section 6013(f)(1), the Commission retains the discretion to determine an applicant is not making sufficient progress toward completing these requirements and is no longer eligible for the funding.

Recent actions have brought more attention to the status of storage projects. In August 2022, Governor Newsom released the Water Supply Strategy that contained actions to help the State adapt to a hotter, drier climate. Among the storage-related actions is the creation of an interagency strike team to facilitate State permitting and support completion of the WSIP projects. Earlier this year, the state experienced multiple atmospheric rivers. These storm events demonstrated the swing between dry and wet extremes the State can experience: In the midst of drought, a large precipitation event with flooding can occur. These events have drawn public attention to the opportunity of using storage to capture and store water when it is available, garnering increased media coverage for the WSIP projects.

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This agenda item implements Goal Four of the Commission's Strategic Plan, which calls on the Commission to carry out its statutory responsibilities for WSIP.

Meeting Overview

At the August meeting, staff will provide an update on projects in the WSIP.

This is an informational item.

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