

Sent via ELECTRONIC MAIL to cwc@water.ca.gov

March 14, 2016

The Honorable Joseph Byrne, Chair California Water Commission 1416 9th Street Sacramento, CA 95814

Re: Comments regarding California Water Commission Draft Water Storage Investment Program Quantification Regulations dated January 11, 2016

Dear Chair Byrne and Commission Members:

The Association of California Water Agencies, California Municipal Utilities Association, Mountain Counties Water Resources Association, Northern California Water Association and State Water Contractors appreciate the opportunity to comment on the California Water Commission ("CWC" or "Commission") draft Water Storage Investment Program ("WSIP") regulations dated January 11, 2016 ("draft Regulations"). As representatives of water agencies that collectively provide the vast majority of the water delivered for domestic, agricultural and industrial uses in California, we have a strong interest in the allocation of Chapter 8 of Proposition 1's \$2.7 billion 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." (Water Code §79750(b).)

The Commission and water agencies around the state have a shared interest in ensuring that the WSIP is able to move forward in an effective and efficient manner. As the Commission advances toward timely adoption of all required WSIP regulations, it should focus on twin objectives of ensuring compliance with the requirements of Chapter 8 and providing a workable framework for project proponents to utilize when presenting the public benefits of their projects for potential WSIP funding. At present, a number of provisions in the draft Regulations are overly prescriptive and unnecessarily restrictive. The WSIP regulations should be revised to provide a clear and more direct path forward for the state to start investing in the public benefits of water storage in California. To help ensure that the draft Regulations provide a clear framework for potential project proponents, we encourage the Commission to carefully consider the specific comments presented by various water agencies, Authorities, and their representatives throughout the state.

Our organizations appreciate the substantial ongoing efforts of the Commission and CWC staff related to the WSIP. We stand ready to work with the Commission as it moves forward toward timely adoption of the regulations that are required to advance Chapter 8's objectives of improving the operation of the state water system and providing net improvements in ecosystem and water quality conditions.

Sincerely,

Timothy H. Quinn Executive Director, Association of California Water Agencies

Danielle Blacet Director for Water, California Municipal Utilities Association

John Kingsbury Executive Director, Mountain Counties Water Resources Association

David Guy Executive Director, Northern California Water Association

LEL.

Terry Erlewine General Manager, State Water Contractors

cc: The Honorable Joe Del Bosque, Vice-Chair The Honorable Carol Baker, Commissioner The Honorable Andrew Ball, Commissioner The Honorable Daniel Curtin, Commissioner The Honorable Paula Daniels, Commissioner The Honorable Maria Herrera, Commissioner The Honorable David Orth, Commissioner The Honorable David Orth, Commissioner The Honorable Armando Quintero, Commissioner Ms. Paula Landis, Executive Officer Ms. Rachel Ballanti, Assistant Executive Officer Ms. Jennifer Marr, Supervising Engineer