

# Calif. draws fire for offering \$2.7B to storage projects

**Debra Kahn, Environment & Energy Publishing, 12-18-15**

Environmentalists are criticizing California regulators for approving draft regulations this week for funding water storage projects.

The California Water Commission voted 5-0 Wednesday, with one abstention and two absent members, to approve draft regulations on distributing \$2.7 billion for water storage projects from last year's voter-approved Proposition 1.

The goal, regulators say, is to capture deluges to help insulate California from the effects of future droughts.

Environmental groups are objecting to the way the draft regulations handle climate change. To get funding, a storage project must demonstrate "public benefits" -- defined as those beyond basic expansion of the water supply for the project owners.

The commission is charged with figuring out how to value each applicant's proposal. Potential benefits can include recreation, cold water supplies for endangered fish or water quality improvements in the Sacramento-San Joaquin River Delta.

The draft regulations instruct funding applicants to analyze their projects in terms of climate change, but only through 2050. Although the projects will be in effect at least through the end of the century, the regulations envision a 2050 scenario of an average statewide temperature increase of 4.9 degrees Fahrenheit and 30 centimeters of sea-level rise.

Environmentalists say the regulations favor traditional surface storage projects, rather than groundwater storage, which they favor. The regulations also require a more nuanced analysis, they say, that takes projections into account through 2099, but in a separate calculation from the main benefits analysis.

"As the temperature gets warmer, surface storage projects pencil out less and less because of evapotranspiration," said Jennifer Clary of the nonprofit Clean Water Action. "If you're really looking at trying to have a climate-resilient water supply, you're going to work to ensure you have groundwater. If we have an El Niño, we can only fill those reservoirs once, unless you have some ground to put stuff into."

Groups backing surface water storage projects, on the other hand, had advocated for the climate language to be taken out entirely. The Contra Costa Water District, which is sponsoring the expansion of the Los Vaqueros Reservoir, filed comments Monday arguing that the agency's scenarios didn't match other state-sponsored climate projections and would be too cumbersome to analyze.

Environmental groups also objected to language in the draft that they think could allow projects to receive money for merely fulfilling existing legal requirements. Prop 1 allows funding for "improvements that are greater than required applicable environmental mitigation measures or

compliance obligations." But the draft text narrows that prohibition to the *applicant's* obligations. Environmentalists fear that means applicants could receive money to maintain existing protections that are other agencies' responsibility.

"We've been fighting over this for a number of months now," said Doug Obegi, an attorney with the Natural Resources Defense Council. "It's mind-boggling to me why this issue has proven to be so difficult."

The draft regulations now head to the state's Office of Administrative Law for a 45-day comment period, after which the commission can edit them further. They must be completed by the end of 2016 under the terms of Prop 1. The Water Commission is also working on another set of regulations that specify how it will actually weigh various public benefits against each other.