From: Chelsea Haines

To: <u>California Water Commission</u>

Subject: Agenda Item 9 & 10 - ACWA Comments on August 20 Board Meeting

Date: Monday, August 18, 2025 4:45:49 PM

Attachments: <u>image001.png</u>

Dear Water Commission,

The Association of California Water Agencies (ACWA) respectfully submits the following written comments in advance of the August 20, 2025, California Water Commission's (Commission) Meeting. ACWA represents approximately 470 local public water agencies that supply water for domestic, agricultural, and industrial uses to over 90 percent of California's population. ACWA appreciates the Commission's work to advance essential funding for water storage projects, which ACWA has advocated is necessary for California's long-term water resilience.

Agenda Item 9: Support for Inflationary Increases to Projects MCEDs Eligibility Determination Amounts

Regarding the reallocation of the remaining \$453.3 million resulting from the withdrawal of Los Vaqueros Expansion Project for pro rata inflationary increases, ACWA strongly supports increasing the amount of Water Storage Investment Program (WSIP) funding available to the remaining projects if they complete legal requirements. ACWA supports Commission staff's recommendation for Option 2, pro rata for some. This would increase the maximum conditional eligibility determinations (MCEDs) of projects making significant progress to ensure projects remain viable. It is important the Commission reserves the ability to reallocate the additional pro rata WSIP funding at a later date as those projects that were directed to do additional work make progress.

Agenda Item 10: Support for Removing Dollar Cap for Early Funding

ACWA supports the proposed rulemaking, which would remove the dollar cap for early funding for the WSIP. Early funding is essential for the remaining WSIP projects to continue to advance forward towards completion. ACWA supports proposed changes to address the potential conflict between the \$135 million cap on WSIP early funding and the 5% MCEDs per project cap.

ACWA appreciates the Commission's consideration of ACWA's comments. If you have any questions or would like to discuss the comments, please feel free to contact me directly.

Best.

Chelsea Haines

Chelsea Haines

Director of Regulatory Relations
Association of California Water Agencies
(916) 206-4078 (Cell)
chelseah@acwa.com | www.acwa.com

