

August 12, 2025

California Water Commission P.O. Box 942836 Sacramento, CA 94236-0001

Dear Chair Steiner and Commissioners:

<u>Subject: Water Storage Investment Program: Consideration of Inflationary Increase to Chino</u> Basin Program

The Metropolitan Water District of Southern California (Metropolitan) would like to express support for the reallocation of Proposition 1 Water Storage Investment Program (WSIP) funding to the Chino Basin Program (CBP/Program) administered by the Inland Empire Utilities Agency (IEUA). This additional funding for the CBP will provide tangible benefits to moving the Program forward, resulting in a positive impact on southern California residents located in IEUA's service area, which is one of Metropolitan's member agencies.

The CBP represents a visionary, collaborative approach to enhancing regional water security, addressing groundwater sustainability, and delivering a net positive benefit to retail agencies and local stakeholders. The conditional funding of \$215 million was awarded in recognition of the public benefits realized by the implementation of CBP, which include:

- Ecosystem benefits that support environmental health and biodiversity in the region
- Water quality improvement through advanced treatment and purification processes
- Development and availability of emergency water supplies to ensure community preparedness

The Proposition 1 funding will be invested in developing the necessary local infrastructure for the program, including:

- A 15 million-gallon-per-day Advanced Water Purification Facility for treating recycled water
- Aquifer replenishing wells to store 15,000 acre-feet of advanced treated recycled water each year
- Extraction facilities to produce this stored water from the Chino Groundwater Basin

These facilities will reduce the use of imported water originating from Northern California, which will instead be used to provide supplemental environmental flows, delivering 375,000 acre-feet in 25 years. Together, this new infrastructure will support the region's long-term local resiliency by

California Water Commission Page 2 August 12, 2025

increasing operational flexibility and reliability and provide the public benefits as required by WSIP.

As the Commission's staff has noted, construction costs for the WSIP projects have increased by over 50% since originally planned. As costs have increased, the financial burden on IEUA and its local agency partners to implement the CBP has grown disproportionately, and WSIP funding for the project has not kept pace with the increasing value of public benefits. An additional allocation of \$53.9 million to the CBP now helps address this and is a key factor in advancing in-process negotiations with IEUA's local agency partners to ensure their continued commitment to providing the state with public benefits of the project.

On behalf of Metropolitan, we urge the California Water Commission to support the reallocation of \$53.9 million of the WSIP funding to the CBP. We are proud to support this important program that continues to build upon collaborative partnerships across California to sustainably manage our water supplies and the needs of the environment. Thank you for your leadership and for continuing to support this essential investment in California's water future.

Very truly yours,

Brandon J. Goshi

Manager, Water Resource Management

KP: kmp