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State Water Commission Fumbles on Regulations for \$2.7 Billion in Storage Funding

SACRAMENTO – On a 5 to 0 vote, with one abstention and two absences, the California Water Commission adopted disappointing regulations on Wednesday directing how \$2.7 billion in bond money set aside for storage projects may be invested.

The regulations fell short on provisions to ensure that funded projects will provide water and other public benefits in the face of climate change. Additionally, the regulations do not ensure adequate public oversight of the funding distribution.

“We had high hopes that the commission would protect the public interest and make sure this money wasn’t going to fund projects that will benefit a few at the expense of the rest of us and the environment,” said Kyle Jones, water policy advocate for Sierra Club California. “Instead, we ended up with rules for distributing the money that won’t provide a fair chance for the smartest storage projects to compete for these funds. Those include needed and environmentally less damaging groundwater recharge and cleanup projects.”

Regarding climate change impacts, the rules don’t take into account best available science on climate modeling that can be used to provide a fair assessment of a proposed project’s impacts and benefits.

Moreover, the commission’s regulations do not ensure that the public has the opportunity to review the project funding. That means that there could be essentially no oversight of how the funds are managed. The water bond allows the funds for storage to be continuously appropriated to the water commission, meaning there will be no natural legislative oversight.

During the commission meeting to vote on the rules, one commissioner admitted that he had not read materials that included changes proposed by other commissioners that would have strengthened the climate portions of the rules. Then he rushed the meeting saying that he had a plane to catch that afternoon. Another commissioner left before the vote.

“We’ll get another chance to comment on these rules before they move to the Office of Administrative Law, where they will be reviewed for compliance with the bond requirements,”

said Jones. “But the meeting was billed as a chance to fully consider and weigh proposed changes, and instead it seemed that the majority of commissioners present had no interest in improving the regulations for the public interest.”

The commissioners voting for the rules included Danny Curtin, Joe Byrne, David Orth, Joe Del Bosque, and Armando Quintero. Commissioner Paula Daniels abstained. She and Commissioner Maria Herrera had proposed changes to strengthen the rule. Herrera was unable to attend the meeting due to a family emergency, and Commissioner Andrew Ball left the meeting before the vote without explanation.

The commission, whose members are appointed by the governor, currently has one empty seat designated for an environmental proponent.

Sierra Club California is the legislative and regulatory advocacy arm of the 13 Sierra Club chapters in California, representing more than 380,000 members and supporters statewide.