Water Reuse Supplemental Funding Options in California

WESTCAS
June 25, 2009
Issues to be Covered

• Background
• Funding for recycled water (Federal, State and Regional)
• Current funding status
• Potential future funding opportunities
• Funding in a “perfect world”
CA Water Reuse Background

• Anticipated water resource option:
  – Federal level (4.4 Plan and CVP)
  – State level (State Water Plan and Bay Delta Planning)
  – State Water Recycling Taskforce
  – Regional level (regional benefits)
  – Local level (a reliable source of water)

• Funding is key
Federal Funding Assistance

• Title XVI - requires:
  – Project must be identified and described
  – Legislative authorization
  – Legislative appropriation
  – Some authorizations approved
  – Few appropriations approved

• Grant funds invested in WateReuse Foundation studies
State Funding Assistance

• State Water Resources Control Board
  – Project description and funding needs submitted
  – SWRCB prepares a list of projects recommended for funding
  – Project funding dependent on State bond approval by voters
  – Start and stop process as bond funds used up
Regional Funding Programs

• Recognize the regional benefit:
  – Reduces water supply needs
  – Reduces capacity needs for regional distribution systems
  – Reduces summer peaking strains on system

• Pay for performance
  – MWD pays up to $250 per AF
  – SDCWA pays $200 per AF
Current Federal Status

• Additional Federal investment needed:
  – Colorado River 4.4 Plan
  – Central Valley Project delivery constraints

• New administration and potentially more support for reuse.
Current State Funding Status

- Funds from last bond committed while many projects on recommended list – need another bond
- IRWMPs – popular with Legislature, but share for reuse funding limited
- Water/Energy nexus funding may grow with cooperation from: CEC, CPUC, and SWRCB.
Potential Future Funding Assistance

• Federal government sees the importance of their investment and the leverage they realize.

• State gets past current financial crisis and develops a long-term funding program for water recycling and other supply sources.

• Regions continue to appreciate the value of reuse and expand programs.
Future Federal Funding Assistance

• Set a goal to become involved in projects that will benefit: CVP, Colorado River, economy of CA

• Title XVI
  – Appropriate the funding for authorized projects
  – Develop an on-going process to identify, authorize, and fund additional projects

• Consider the water/energy nexus and benefits of reuse on national energy use
Future State Funding Assistance

• Realize that to meet Water Plan expectations, need stable funding sources
• Develop sound plan to fund SWRCB list of projects
• Expand funding under water/energy nexus programs
• Assure water reuse is fairly considered in IRWMPs
Future Regional Funding Assistance

• Expand beyond existing regional pay for performance programs
• Encourage local agencies to trade/sell recycled water across jurisdictional boundaries
• Evaluate funding investments from third parties, or agencies from outside the area.
Bill Jacoby
Water Resources Consulting

billjjacoby@aol.com
(858) 693-3197 Office
(619) 200-3731 Cell