

• Board of Directors Communications and Legislation Committee

11/14/2023 Board Meeting

Subject

Updated Legislative Priorities and Principles for 2024

Executive Summary

This letter presents the 2024 legislative priorities and principles recommended by staff for the Board of Directors' consideration and discussion.

Details

This board letter presents the 2024 Legislative Priorities and Principles as recommended by staff for the Board's consideration. It lays out an integrated "One Water" collaborative approach on legislatively active issues related to managing Southern California's watersheds, water resources, and water infrastructure to ensure long-term resilience and reliability for communities and ecosystems. Once adopted, staff uses this document to determine Metropolitan's positions and advocate for these priorities and principles at the state and federal level through Metropolitan-sponsored legislation, engaging on bills, or pursuing state and federal funding. Updated legislative priorities and principles are presented annually to the Board of Directors. The current 2023 version was adopted in December 2022 (Attachment 1). Final, board-approved annual legislative priorities and principles are publicly available on the Metropolitan Legislative Services website.

For the coming year, which is year two of the two-year state and federal legislative cycles, staff updated the document to reflect developments and new laws on the state and federal arenas, and to be consistent with internal Metropolitan initiatives, including the GM Business Plan, the Metropolitan Climate Action Plan, and the new Board-led planning effort on the Climate Adaptation Master Plan for Water. The draft 2024 Legislative Priorities and Principles was presented to the Member Agency Legislative Coordinators Annual Planning Meeting on November 2, 2023, and to the Member Agency Managers' Meeting on November 3, 2023.

Recommended updates to the language can be seen in the attached redline of the 2023 Legislative Priorities and Principles (**Attachment 2**). This board action letter presents a clean version of the legislative priorities and principles for 2024 with staff's recommended revisions, incorporating technical and policy input received. The Board will be considering a new bill proposal for 2024 regarding an amendment to the Surface Mining and Reclamation Act; that item is included as a priority, although sponsorship of a bill is contingent on receiving the necessary Board authorization.

The 2024 Legislative Priorities and Principles below are respectfully submitted for consideration and discussion; input from the Board will be incorporated into the final draft, which will be coming back in January 2024 for adoption by the Board.

2024 LEGISLATIVE PRIORITIES AND PRINCIPLES

2024 Legislative Priorities

To help adapt to a changing climate, protect water resources, and partner with communities we serve, Metropolitan will work to support administrative/legislative actions and federal and state funding for the following priorities in 2024:

- I. Top Legislative Priorities
 - A. Continue support for imported water supply resiliency and reliability, including progress on the Delta Conveyance Project, Sites Reservoir Project, Agreements to Support Healthy Rivers and Landscapes (Voluntary Agreements), and development of near-term and post-2026 Colorado River operating guidelines.
 - B. Conserve existing water supplies and prepare for climate change by supporting demand management and water use efficiency, long-term non-functional turf conversion, and a federal tax exemption for water conservation rebates.
 - C. Advance Pure Water Southern California and other water recycling projects and long-term supply reliability improvements.
 - D. Support funding for regional conveyance improvements to ensure the region's water storage is equitably accessible to all member agencies.
 - E. Protect drinking water quality and ensure access to safe and reliable drinking water for all Californians, including upholding the polluter pays principle and ensuring the continued cleanup of sites along the Colorado River.
 - F. Support adaptive management for ecosystem restoration in the Bay-Delta and Colorado River watersheds that takes into consideration evolving climate conditions, risk analyses, and best available science.
 - G. Improve water affordability throughout the region at both the individual and water system level without burdening existing ratepayers.
- II. Metropolitan-Sponsored State Bill (contingent upon separate board authorization)
 - 1. Support administrative/legislative actions to amend the Surface Mining and Reclamation Act to eliminate the sunset date to allow Metropolitan to continue operating under its existing master reclamation plan.

2024 Legislative Policy Principles

The 2024 Legislative Policy Principles will guide and inform Metropolitan's engagement on state and federal legislative and regulatory activities. They were developed in consultation with subject matter experts at Metropolitan. The principles holistically address six strategic areas of policy that inform Metropolitan's One Water Vision and the Board-led process for developing the Climate Adaptation Master Plan for Water (CAMP4W). These policy areas include: (1) drinking water; (2) regional water resource management; (3) imported water supply; (4) sustainability, resiliency, and innovation; (5) infrastructure; and (6) system resiliency.

I. Drinking Water – Metropolitan provides to the Southern California region high-quality, reliable drinking water in an economically responsible way that surpasses all federal and state drinking water regulations.

- A. Water Quality and Treatment
 - 1. Support administrative/legislative actions that utilize best available science, occurrence and health effects data, and appropriate cost-benefit analyses or economic feasibility to

protect public health and improve water quality. Apply these principles when setting maximum contaminant levels, health advisories, or notification/response levels, in addition to assessing laboratory capacity, analytical methods, and other regulatory standards or guidance levels.

- 2. Support application of the "polluter pays" principle such that parties responsible for introducing contaminants in or near drinking water sources are held liable for cleanup, and not drinking water and wastewater facilities that subsequently store, transport, or treat the water.
- 3. Support administrative/legislative actions and funding for treatment and mitigation measures to comply with any new regulatory standards, develop risk communication tools, as well as provide adequate time for implementation.
- 4. Support administrative/legislative actions and funding to protect source water quality, reduce threats from invasive species, and mitigate harmful algal blooms.
- 5. Support administrative/legislative actions and funding for the constituents of emerging concern (CEC) Action Fund to improve the State Water Resource Control Board's knowledge of CEC in waters of the state and drinking water.
- B. Water Governance, Affordability, and Funding Metropolitan supports efforts to provide access to safe, reliable, and affordable drinking water to all residents.
 - 1. Support administrative/legislative actions that prioritize providing safe, reliable and affordable drinking water to disadvantaged communities.
 - 2. Support administrative/legislative actions and funding that improve water affordability throughout the region at both the individual and the water system level, especially for disadvantaged communities, without burdening existing ratepayers.
 - 3. Support funding to help water systems provide low-income ratepayer assistance programs.
 - 4. Support administrative/legislative actions that improve governance and long-term sustainability of non-compliant water systems and provide assistance for voluntary consolidations that improve their technical, managerial, or financial capacity, while ensuring that all receiving public water systems are consulted on changes of organization, including proposed consolidations or extensions of service area.
 - 5. Support administrative/legislative actions that provide local agencies flexibility in determining fees for service and assessment amounts.
 - 6. Support administrative/legislative actions that ensure the limited resources of the Safe and Affordable Drinking Water Fund are allocated to advance projects, operation and maintenance costs, infrastructure improvements, and/or consolidation actions that will achieve long-term sustainability for water systems and the communities that rely on those systems.

II. Regional Water Resource Management – Metropolitan's One Water Vision and the Board-led CAMP4W process promote collaboration with member agencies to plan for future water supply needs and the challenges ahead in a reliable, cost-effective, and environmentally responsible manner. This involves protecting imported water supplies and quality, supporting local resource development, advancing water use efficiency, and supporting ecosystem protection and restoration.

- A. Conservation
 - 1. Support tax exemptions and/or credits for water conservation or efficiency incentives, including but not limited to long-term conversion of non-functional turf (NFT), local

stormwater capture, and other measures to reduce consumption of water or enhance the absorption and infiltration capacity of the landscape.

- 2. Support administrative/legislative actions and federal/state funding to encourage equitable water use efficiency and recycled water use among agricultural, industrial, and urban sectors.
- 3. Support administrative/legislative actions and funding to advance conservation as a California Way of Life in a manner that maintains flexibility and local control. Support efforts to ensure new statutes and regulations are based on science; recognize regional distinctions (i.e., climate, land use, population, and hydrology); and potential impacts to wastewater operations and recycled water projects.
- 4. Support administrative/legislative actions and federal/state funding for leak detection and water loss reduction. Support the development and implementation of flexible water loss standards for both retail and wholesale water systems.
- 5. Support administrative/legislative actions and federal/state funding for the long-term conversion of NFT in residential, commercial, industrial, and institutional landscapes and ban installation of NFT in new construction.
- B. Desalination & Groundwater Remediation
 - 1. Support administrative/legislative actions, funding, and partnerships for brackish groundwater and seawater desalination projects, consistent with the Governor's Water Resilience Portfolio and 2022 Water Supply Strategy and Metropolitan's CAMP4W goals.
 - 2. Support administrative/legislative actions and funding for salinity control projects, including but not limited to source control, treatment, and concentrate management.
 - 3. Support administrative/legislative actions and funding for research, pilot tests, and demonstration studies to encourage the development of environmentally sustainable and climate-resilient desalination technologies.
- C. Recycled Water
 - 1. Support actions to advance and secure funding for the Pure Water Southern California Program and related projects.
 - 2. Support efforts to improve flexibility of the State's water recycling grant program.
 - 3. Support implementation of the National Water Reuse Action Plan and California Water Reuse Action Plan while protecting local flexibility and encouraging local, state, and federal coordination, research, and innovation.
 - 4. Support administrative/legislative actions and funding that facilitate the adoption of direct potable reuse regulations by December 31, 2023. These actions include but are not limited to planning, development, and implementation of local and regional potable reuse projects and initiatives to fill research gaps and advance the science to promote the further development of potable reuse.
 - 5. Support administrative/legislative actions to promote voluntary on-site water treatment systems if they maintain compliance with Title 22 and do not negatively affect municipal water recycling systems.
 - 6. Support administrative/legislative actions that maximize voluntary use of recycled water.

- D. Local Supply Development
 - 1. Support administrative/legislative actions that protect and advance local flexibility and responsiveness in developing locally appropriate, climate-resilient, diverse resource portfolios.
 - 2. Continue to support and promote integrated water resources development by advocating for clear, concise, and expedited regulations/policies that are easily understandable by the regulated community and public.
 - 3. Support administrative/legislative actions and funding to expedite the development of new local resources (including recycled water, direct potable reuse, groundwater, stormwater, desalination projects, and groundwater remediation) without compromising the operational, financial, water quality, regulatory, environmental, and customer interests of Metropolitan and other water and wastewater agencies.
 - 4. Support administrative/legislative actions that advance stormwater as a beneficial resource and facilitate the funding and permitting of stormwater capture projects to augment local and regional water supplies and promote holistic watershed health.
 - 5. Support administrative/legislative actions and funding that advance Metropolitan's groundwater storage and/or recovery programs with member agencies.
- E. Watershed Management
 - 1. Support administrative/legislative actions and funding to enhance watershed management in Southern California, the Bay-Delta, and Colorado River watersheds that provide broad public benefits, including water quality and water supply reliability, reduced wildfire risks, greater scientific understanding, and other environmental improvements.
 - 2. Support administrative/legislative actions that help advance implementation of watershed management plans, including watershed research and multi-benefit forestry management projects.
 - Support implementation of the California Water Resiliency Portfolio and the Water Supply Strategy, as consistent with Metropolitan goals and objectives, to ensure improved watershed-scale coordination, watershed management and planning, and programs and funding that provide water resilience and improve watershed functions.

III. Imported Water Supply – Metropolitan provides imported water supplies to its member agencies from two primary sources: the Colorado River via the Colorado Aqueduct and Northern California watersheds via the Sacramento-San Joaquin Delta and the State Water Project.

- A. Bay-Delta Initiatives– Metropolitan is involved in several key regulatory and planning processes in the Sacramento-San Joaquin Delta related to the operation of the State Water Project (SWP). The goal is to advance water supply reliability and ecosystem restoration concurrently by modernizing the state's water infrastructure with the proposed Delta Conveyance Project and improving the habitat and function of the Delta estuary for the benefit of threatened and endangered species. To advance these goals, Metropolitan supports collaborative scientific efforts to better understand how to restore and manage the Bay-Delta while reducing reliance consistent with the 2009 Delta Reform Act (Delta Reform Act).
 - 1. Support administrative/legislative actions to advance Delta Conveyance and EcoRestore in support of California's coequal goals of water supply reliability and Delta ecosystem restoration and the Governor's California Water Resilience Portfolio.

- 2. Support administrative/legislative actions and funding to improve scientific understanding of listed Delta fish and wildlife species and water project operations in the Delta, including data collection, real-time monitoring, and modeling. Promote the use of best available science to protect and restore aquatic species and habitats, and enhance flexibility for water project operations while maintaining regulatory and statutory protections for species listed under the state and federal Endangered Species Act.
- 3. Continue support for implementation of state policies adopted as part of the Delta Reform Act and water management package, including clarification of the monitoring, reporting, and enforcement provisions related to in-Delta diversions.
- 4. Support administrative/legislative actions to consolidate review and oversight of anadromous species protection under the U.S. Department of the Interior.
- 5. Support administrative/legislative actions that protect water quality for beneficial uses and that are implemented consistent with California water rights priorities.
- 6. Support administrative/legislative actions and funding to advance the Delta Freshwater Pathway, levee improvements (including levee modernization for the existing Delta levee system), levee maintenance programs (including real-time monitoring for the existing Delta levee system), and secure Delta flood-fighting materials and stockpiles.
- 7. Support administrative/legislative actions in the Delta watershed to account for and administer the California water rights system, including protecting stored water releases.
- 8. Support administrative/legislative actions and funding to advance Sites Reservoir and the Agreements to Support Healthy Rivers and Landscapes (Voluntary Agreements), consistent with the Board's action to advance these efforts.
- B. Colorado River Resources The Colorado River is a critical resource for the entire Southwest and many diverse ecosystems. Degradation of the Colorado River's water quality can cause significant economic, environmental, and human health impacts across the West. Metropolitan and other interested parties work to ensure we can continue to supply our communities with a safe and reliable water supply.
 - 1. Support administrative/legislative actions and funding of conservation and efficiency projects to enhance the resiliency of the Colorado River System and Metropolitan's Colorado River Aqueduct.
 - 2. Support administrative/legislative actions and funding to ensure that sufficient water is stored and delivered from Lake Mead to meet human health and safety needs.
 - Support administrative/legislative actions and funding for the cleanup of contaminated sites along the Colorado River. This includes, but is not limited to, uranium remediation in Moab, Utah; perchlorate remediation in Henderson, Nevada; hexavalent chromium remediation near Topock, Arizona; and a waste disposal site near Hoover Dam.
 - 4. Promote continued coordination between states and federal agencies to further the Colorado River Basin Salinity Control Program (Program). Support actions to stabilize the financial position of the Program.
 - 5. Support efforts to maintain and enhance the operation of the United States Bureau of Reclamation's Paradox Valley Unit salinity control project at a safe level while

working to develop a viable alternative that provides long-term reductions in salt loads to the Colorado River.

- 6. Support legislative efforts to revise the salinity standard for Colorado River water delivered under the U.S. treaty with Mexico to increase water conservation.
- 7. Support legislative action to include water conservation as a criterion for selecting salinity control projects in the upper Colorado River Basin.
- 8. Secure funding and support administrative/legislative actions for the implementation of the Lower Colorado River Multi-Species Conservation Program to promote the recovery of threatened and endangered species in a manner that allows the Lower Basin States to conserve Colorado River water.
- 9. Support administrative/legislative actions and funding that advance binational water conservation programs that benefit Colorado River supply augmentation and habitat restoration objectives.
- 10. Support administrative/legislative actions and funding for the U.S. Bureau of Reclamation to update and apply reasonable and beneficial use determinations.
- C. State Water Project About 30 percent of Southern California's water comes from the SWP in an average year. Metropolitan works with state and federal agencies as well as other SWP contractors to manage threats to the project and address environmental needs and augment water supplies through existing and potential collaborative transfers and groundwater banking agreements.
 - 1. Support administrative/legislative actions and funding to address the impacts of subsidence on the SWP and prevent future damage caused by unsustainable groundwater pumping.
 - 2. Support funding for joint state and federal facility repairs, rehabilitation, and improvements, and ensure funding is equitably distributed between partners while maintaining SWP supply reliability.
 - 3. Support administrative/legislative actions and funding for the cleanup of contaminated groundwater storage basins used for Metropolitan water banking programs along the California Aqueduct.
 - 4. Support funding for the public share of costs, including recreation, flood protection, mitigation, environmental enhancement, and rehabilitation for multi-purpose SWP facilities.

IV. Sustainability, Resiliency, and Innovation – Metropolitan supports policies and funding that encourage sustainable practices that improve water and power system resilience and adapt to a rapidly changing environmental landscape. Metropolitan strives to fulfill the needs of the current generation without compromising the needs of future generations in an environmentally and economically responsible way.

- A. Carbon Neutrality
 - 1. Support administrative/legislative actions and funding to implement Metropolitan's Climate Action Plan to reduce Metropolitan's greenhouse gas emissions and reach carbon neutrality by 2045.
 - 2. Support administrative/legislative actions and funding to assist the Department of Water Resources in reaching carbon neutrality for the State Water Project by 2045 in a cost-effective and environmentally responsible manner.

- 3. Support administrative/legislative actions and funding to improve, develop, and promote innovative climate adaptation solutions and support science-based strategies and tools that benefit the environment by restoring healthy soils, conserving water, and capturing and/or sequestering carbon.
- 4. Support administrative/legislative actions and funding that assists public agencies in the transition to zero-emission fleets and equipment.

B. Water/Energy Nexus

- 1. Support administrative/legislative actions and funding for energy efficiency and storage projects, and programs to reduce greenhouse gases and develop renewable resources.
- 2. Support administrative/legislative actions that remove barriers and encourage energy sector investments in water conservation and energy management programs.
- 3. Support administrative/legislative or regulatory activities that preserve Metropolitan's ability to pursue a diverse set of supply options and oppose constraints on supply development, such as water resource loading orders based solely on energy intensity.
- 4. Support efforts to ensure power costs are appropriate and proportional to the benefits received and that water system operations are not adversely affected by power-related legislation/administrative actions.
- 5. Support administrative/legislative actions that provide state funding from the Greenhouse Gas Reduction Fund for water/energy nexus projects and maintain Capand-Trade allowances for Metropolitan and Department of Water Resources (i.e., State Water Contractors).
- 6. Support administrative/legislative actions that maintain Board authority over energy-related matters (e.g., system reserve margin or resource adequacy requirements).

C. Renewable Energy

- 1. Support administrative/legislative actions that define hydropower generation as renewable energy irrespective of a facility's nameplate generating capacity and include the provision of renewable energy credits for hydroelectric generation.
- 2. Work to ensure that administrative/legislative actions seeking to enhance or expand hydropower at existing dams do not adversely impact those dams, either financially or operationally, or entities with rights to the power from the existing resources that directly or indirectly impact Metropolitan's service area.
- 3. Support administrative/legislative actions to improve federal hydropower relicensing for existing facilities, including SWP resources.
- 4. Support administrative/legislative actions and funding for the SWP and the Colorado River Aqueduct (CRA) to incorporate renewable energy resources, such as pumped hydroelectric energy, that contribute to the state's climate goals without impacting the projects' primary purpose, provided consideration is given to transmission limitations, cost and portfolio availability, and unrelated impacts are not shifted to SWP or CRA facilities.

- D. Environmental Stewardship
 - 1. Support administrative/legislative actions for environmental compliance to improve clarity and workability of the requirements, and promote consistency and reduce regulatory duplication, while protecting public health and the environment.
 - 2. Support administrative/legislative actions and funding to facilitate non-mitigation habitat restoration projects that benefit endangered and threatened species.
 - 3. Support administrative/legislative actions and funding for research and partnerships on water science, including snowpack and streamflow monitoring, runoff, drinking water quality, salinity control, source water protection, soil moisture monitoring, healthy soils, and watershed research.
- E. Workforce Development Metropolitan is committed to ensuring the resiliency of its workforce and to advancing diversity, equity, and inclusion to promote the physical and mental safety and well-being of its workforce and the communities it serves.
 - 1. Support administrative/legislative actions, funding, and partnerships to improve educational opportunities in the water sector, including career technical education and workforce development.
 - 2. Support administrative/legislative actions and funding that improve water system staff training and certification processes.
- F. Innovation Supporting and promoting innovation and emerging technologies continues Metropolitan's long tradition of creatively solving difficult challenges.
 - 1. Support administrative/legislative actions and funding for the research and development of new and emerging technologies such as satellite- and computerbased technologies to monitor source water quality, ecosystem health, state- and federal-threatened and endangered fish species; measure and predict agricultural water use, urban outdoor water use, and reservoir evaporation; and expand coordination with technology incubators, research institutions, and other stakeholder groups.
 - 2. Support administrative/legislative actions and funding to promote open water data platforms and sharing, including improving access to agency data, streamlining the collection and submission of water agency data, and promoting collaboration among federal, state, and local stakeholders.

V. Infrastructure – Metropolitan has a strategic priority to invest in key capital projects in our region to enable long-term, reliable water deliveries. Key capital projects identified in Metropolitan's Capital Investment Plan focus on improvements to the CRA, treatment plants, and distribution systems.

- A. Support administrative/legislative actions to initiate, expedite, and secure funding to defray the costs of planning, financing, constructing, repairing, and rehabilitating water infrastructure projects, including but not limited to general obligation bonds, tax-exempt municipal bonds, grants, low-interest loans, and direct appropriations. Ensure equitable cost-sharing of water infrastructure projects.
- B. Support administrative/legislative efforts to expand funding programs, expedite project approval and reporting processes, and prevent project backlogs in state and federal funding or financing.
- C. Support the "beneficiaries pay" approach as a financing mechanism for statewide projects and programs and oppose public goods charges, or other charges levied on water agencies for funding broader public benefits.

- D. Support funding for the public share of costs, including mitigation, rehabilitation, and recreation, for multi-purpose water infrastructure.
- E. Support administrative/legislative actions and funding for new or expanded water infrastructure or programs that complement existing water supplies to ensure reliability for all member agencies.

VI. System Resiliency – Metropolitan diligently maintains and significantly invests to safeguard a regionwide water supply system that is a cornerstone of Southern California's \$1.6 trillion economy. Changes in the climate and accompanying weather extremes are serious challenges facing Metropolitan. Additionally, Metropolitan needs to be prepared to respond rapidly to natural disasters and security threats. Resiliency ensures the water supply and delivery system is strong, can return to service quickly, and is prepared to address future challenges

- A. Climate Resiliency
 - 1. Support legislative/administrative actions and funding for local and regional drought resiliency projects to improve system flexibility.
 - 2. Support legislative/administrative actions and funding for planning and research into the potential water resource and quality effects of climate change.
 - 3. Support administrative/legislative actions and funding for imported source watershed protection and enhancement of water quality, supply, and demand-side management actions to help offset the effects of climate change.
 - 4. Support administrative/legislative actions and pursue funding opportunities that recognize and help mitigate the significant differences in the capability and needs of communities and regions to withstand the impacts of climate change.
 - 5. Support administrative/legislative actions and funding for local drought contingency planning areas in the state that have increased concern about wholesale water system delivery constraints.
 - 6. Support administrative/legislative actions and funding that facilitate the integration of existing and planned local water supply, distribution systems, and regional water facilities.
- **B.** Emergency Preparedness
 - 1. Support administrative/legislative actions that assist the water industry in preparing for, responding to, and recovering from extreme weather events and natural disasters, including earthquakes and wildfires, catastrophic accidents, and physical or cyber sabotage. These actions may include, but are not limited to, actions to provide funding for emergency responses and planning and post-emergency restoration of service.
 - 2. Support administrative/legislative actions that assist the water industry to address the effects of wildfires and power outages, including the impacts of public safety power shutoff events.
 - 3. Support additional funding for the Federal Emergency Management Agency programs to assist with emergency repairs and improvements, including but not limited to dam safety, spillway improvements, and erosion control repairs.
- C. Physical and Cyber Security
 - 1. Support continued U.S. Environmental Protection Agency oversight of water system security in coordination with other federal and state agencies with expertise in

security, including the Governor's Office of Emergency Services, the Cybersecurity and Infrastructure Security Agency, and the Chemical Security Analysis Center.

- 2. Support administrative/legislative actions that would provide funding or reimbursement for enhanced physical security and cybersecurity for water and power infrastructure.
- 3. Support trade associations and coalition efforts to share information and develop standard guidance and best management practices to protect water and power critical infrastructure from cyber vulnerabilities.
- 4. Support administrative/legislative actions that ensure Metropolitan's ability to reliably operate and maintain its facilities, infrastructure, and real estate assets, including rights of way, and to protect against encroachment.
- D. Chemical Security
 - 1. Support administrative/legislative actions to improve supply chain reliability, achieve tax-exempt status for water treatment chemicals, and ensure access to water treatment chemicals.
 - 2. Support administrative/legislative actions to ensure the continued use of gaseous chlorine to protect public health.

Policy

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

Fiscal Impact

No direct fiscal impact.

10/25/2023 Susan Sims Date Group Manager, External Affairs 10/26/2023 Adel Hagekhalil Date General Manager

Attachment 1 – 2023 Legislative Priorities and Principles

Attachment 2 – Final Redline of 2023 Legislative Priorities and Principles v October 18, 2023

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2023 LEGISLATIVE PRIORITIES AND PRINCIPLES

The 2023 Legislative Priorities and Principles lay out an integrated "One Water" collaborative approach to managing Southern California's watersheds, water resources, and water infrastructure to ensure long-term resilience and reliability for communities and ecosystems. Staff use this document to advocate for these priorities and principles at the state and federal levels through advancing Metropolitan-sponsored legislation, engaging on bills or pursuing funding.

Adopted December 13, 2022



2023 Legislative Priorities

To help adapt to a changing climate, protect water resources, and partner with communities we serve, Metropolitan will work to support administrative/legislative actions and funding for the following priorities in 2023:

- A. Top Legislative Priorities:
 - 1. Continue support for imported water supply resiliency and reliability, including progress on the Delta Conveyance Project, Sites Reservoir Project, Voluntary Agreements, and protecting critical elevations in Lake Powell and Lake Mead.
 - 2. Conserve existing water supplies and prepare for climate change by supporting demand management and water use efficiency, long-term non-functional turf conversion, and a federal tax exemption for water conservation rebates.
 - 3. Advance Pure Water Southern California and other water recycling projects and long-term supply reliability improvements.
 - 4. Protect drinking water quality and ensure access to safe and reliable drinking water for all Californians, including upholding the polluter pays principle and ensuring the continued cleanup of sites along the Colorado River.
 - 5. Support adaptive management for ecosystem restoration in the Bay-Delta and Colorado River watersheds that takes into consideration evolving climate conditions, risk analyses, and best available science.
 - 6. Implement Metropolitan's Climate Action Plan to reduce Metropolitan's greenhouse gas emissions and reach carbon neutrality by 2045.
 - 7. Support administrative/legislative actions that meaningfully improve water affordability throughout the region at both the individual and the water system level without burdening existing ratepayers.
- B. Metropolitan-Sponsored State Bill (contingent upon separate board authorization)
 - 1. Support administrative/legislative actions and funding for the long-term conversion of nonfunctional turf (NFT) in residential, commercial, industrial, and institutional (CII) existing landscapes and ban the installation of NFT in new construction.



2023 Legislative Policy Principles

The 2023 Legislative Policy Principles will guide and inform Metropolitan's engagement on state and federal legislative and regulatory activities. They were developed in consultation with subject matter experts at Metropolitan. The principles described below holistically address seven strategic areas of policy that inform Metropolitan's One Water Vision: (1) drought response; (2) drinking water; (3) regional water resource management; (4) imported water supply; (5) sustainability, resiliency, innovation; (6) infrastructure; and (7) system resiliency.

- I. Drought Response –Southern California's two main sources of imported water are currently in severe drought conditions. Investments in additional conservation and local supplies are necessary as drought conditions continue or worsen and the impacts of climate change are accelerating.
 - A. Support legislative/administrative actions and funding for local and regional drought resiliency projects and to improve system flexibility.
 - B. Support legislative/administrative actions and funding to accelerate new local supply development, including but not limited to recycled water, stormwater, groundwater remediation, water loss detection and repair, long-term conversion of non-functional turf, and other water conservation measures.
 - C. Support administrative/legislative actions and funding for imported source watershed protection and enhancement of water quality, supply, and demand-side management actions to help offset the effects of extended drought conditions.
 - D. Support administrative/legislative actions and pursue funding opportunities that recognize and help mitigate the significant differences in the capability and needs of communities and regions to withstand the impacts of ongoing drought.
 - E. Support administrative/legislative actions and funding for local drought contingency planning areas in the state that have increased concern about wholesale water system delivery constraints.
- II. Drinking Water Metropolitan provides to the Southern California region high-quality, reliable drinking water in an economically responsible way that surpasses all federal and state drinking water regulations.
 - A. Water Quality and Treatment
 - 1. Support administrative/legislative actions that utilize best available science, occurrence and health effects data, and appropriate cost-benefit analyses or economic feasibility to protect public health and improve water quality. Apply these principles when setting maximum contaminant levels, health advisories, or notification/response levels, in addition to assessing laboratory capacity, analytical methods, and other regulatory standards or guidance levels.
 - 2. Support administrative/legislative actions, consistent with Board direction, to identify, evaluate, and prioritize constituents of emerging concern in drinking water.
 - 3. Support application of the "polluter pays" principle such that parties responsible for introducing contaminants in or near drinking water sources are held liable for



cleanup, and not drinking water and wastewater facilities that subsequently store, transport, or treat the water.

- 4. Support administrative/legislative actions and funding for treatment and mitigation measures to comply with any new regulatory standards, develop risk communication tools, as well as provide adequate time for implementation.
- 5. Support administrative/legislative actions and funding to protect source water quality, reduce threats from invasive species, and mitigate harmful algal blooms.
- B. Water Governance and Funding: Metropolitan supports statewide efforts to provide access to safe and affordable drinking water to all residents.
 - 1. Support administrative/legislative actions that prioritize providing safe and affordable drinking water to disadvantaged communities.
 - 2. Support administrative/legislative actions that meaningfully improve water affordability throughout the region at both the individual and the water system level without burdening existing ratepayers.
 - 3. Support funding to help water systems provide low-income ratepayer assistance programs.
 - 4. Support administrative/legislative actions that improve governance and long-term sustainability of non-compliant water systems and provide assistance for consolidations that improve their technical, managerial, or financial capacity, while ensuring that all receiving public water systems are consulted on changes of organization, including proposed consolidations or extensions of service area.
 - 5. Support administrative/legislative actions that ensure the limited resources of the Safe and Affordable Drinking Water Fund are allocated to advance projects, operation and maintenance costs, infrastructure improvements, and/or consolidation actions that will achieve long-term sustainability for water systems and the communities that rely on those systems.
- III. Regional Water Resource Management Metropolitan's One Water Vision promotes collaboration with member agencies to plan for future water supply needs and the challenges ahead in a reliable, cost-effective, and environmentally responsible manner. This involves protecting imported water supplies and quality, supporting local resource development, advancing water use efficiency, and supporting ecosystem protection and restoration.
 - A. Continue to support and promote integrated water resources development by advocating for clear, concise, and expedited regulations/policies that are easily understandable by the regulated community and public.
 - B. Support administrative/legislative actions and funding to expedite the development of new local resources (including recycled water and direct potable reuse, groundwater, stormwater, and desalination projects) without compromising the operational, financial, water quality, regulatory, environmental, and customer interests of Metropolitan and other water and wastewater agencies.
 - C. Support administrative/legislative actions and funding to facilitate the implementation of the Sustainable Groundwater Management Act and assist local agencies in



maintaining long-term groundwater supply reliability, while upholding Metropolitan's investments in groundwater banking partnerships.

- D. Conservation
 - 1. Support tax exemptions and/or credits for water conservation or efficiency incentives, including but not limited to long-term conversion of NFT, local stormwater capture, and other measures to reduce consumption of water or enhance the absorption and infiltration capacity of the landscape.
 - 2. Support administrative/legislative actions and funding to encourage equitable water use efficiency and recycled water use among agricultural, industrial, and urban sectors.
 - 3. Support administrative/legislative actions and funding to advance Conservation as a California Way of Life in a manner that maintains flexibility and local control. Support efforts to ensure new statutes and regulations are based on science; recognize regional distinctions (i.e., climate, land use, population, and hydrology); and potential impacts to wastewater operations and recycled water projects.
 - 4. Support administrative/legislative actions and funding for leak detection and water loss reduction. Support the development and implementation of flexible water loss standards for both retail and wholesale water systems.
 - 5. Support administrative/legislative actions and funding for the long-term conversion of NFT in residential, commercial, industrial, and institutional landscapes and ban installation of NFT in new construction.
- E. Desalination & Groundwater Remediation
 - 1. Support administrative/legislative actions, funding and partnerships for brackish groundwater and seawater desalination projects, consistent with the Governor's Water Resilience Portfolio and Water Supply Strategy and Metropolitan's Climate Action Plan.
 - 2. Support administrative/legislative actions and funding for salinity control projects, including but not limited to source control, treatment, and concentrate management.
 - 3. Support administrative/legislative actions and funding that advance Metropolitan's groundwater storage and/or recovery programs with member agencies.
 - 4. Support administrative/legislative actions and funding for desalination research and technology development projects, and initiatives that encourage stakeholder coordination on these investments, such as with the National Alliance for Water Innovation.



- F. Recycled Water
 - 1. Support actions to advance and secure funding for the Pure Water Southern California Program and related projects.
 - 2. Support efforts to improve flexibility of the State's water recycling grant program.
 - 3. Support implementation of the National Water Reuse Action Plan and California Water Reuse Action Plan while protecting local flexibility and encouraging local, state and federal coordination, research, and innovation.
 - 4. Support administrative/legislative actions that facilitate the adoption of practical uniform water recycling criteria for direct potable reuse through raw water augmentation by December 31, 2023. These actions include but are not limited to funding: (a) for the planning, development, and implementation of local and regional potable reuse projects; and (b) initiatives to fill research gaps and advance the science to promote the further development of potable reuse.
 - 5. Support administrative/legislative actions to promote voluntary on-site water treatment systems if they maintain compliance with Title 22 and do not negatively affect municipal water recycling systems.
 - 6. Support administrative/legislative actions that maximize voluntary use of recycled water.
- G. Stormwater Capture
 - 1. Support administrative/legislative actions that advance stormwater as a beneficial resource and facilitate the funding and permitting of stormwater capture projects to augment local and regional water supplies and promote holistic watershed health.
- H. Watershed Management
 - 1. Support administrative/legislative actions and funding to enhance watershed management in Southern California, the Bay-Delta, and Colorado River watersheds that provide broad public benefits, including water quality and water supply reliability, reduced wildfire risks, greater scientific understanding, and other environmental improvements.
 - 2. Support administrative/legislative actions that help advance implementation of watershed management plans, including watershed research and multi-benefit forestry management projects.
 - 3. Support implementation of the California Water Resiliency Portfolio and the Water Supply Strategy, as consistent with Metropolitan goals and objectives, to ensure improved watershed-scale coordination, watershed management and planning, and programs and funding that provide water resilience and improve watershed functions.



- IV. Imported Water Supply Metropolitan provides imported water supplies to its member agencies from two primary sources, the Colorado River via the Colorado Aqueduct and Northern California watersheds via the Sacramento-San Joaquin Delta and the State Water Project.
 - A. Bay-Delta Initiatives Metropolitan is involved in several key regulatory and planning processes in the Sacramento-San Joaquin Delta related to the operation of the State Water Project (SWP). The goal is to advance water supply reliability and ecosystem restoration concurrently by modernizing the state's water infrastructure with the proposed Delta Conveyance Project and improving the habitat and function of the Delta estuary for the benefit of threatened and endangered species. To advance these goals, Metropolitan supports collaborative scientific efforts to better understand how to restore and manage the Bay-Delta while reducing reliance consistent with the Delta Reform Act.
 - 1. Support administrative/legislative actions to advance Delta Conveyance and EcoRestore in support of California's coequal goals of water supply reliability and Delta ecosystem restoration and the Governor's California Water Resilience Portfolio.
 - 2. Support administrative/legislative actions and funding to improve scientific understanding of listed Delta fish and wildlife species and water project operations in the Delta, including data collection, real-time monitoring, and modeling. Promote the use of best available science to protect and restore aquatic species and habitats, and enhance flexibility for water project operations while maintaining regulatory and statutory protections for species listed under the state and federal Endangered Species Act.
 - 3. Continue support for implementation of state policies adopted as part of the 2009 Delta Reform Act and water management package, including clarification of the monitoring, reporting, and enforcement provisions related to in-Delta diversions.
 - 4. Support administrative/legislative actions to consolidate review and oversight of anadromous species protection under the U.S. Department of the Interior.
 - 5. Support administrative/legislative actions that protect water quality for beneficial uses and that are implemented consistent with water rights priorities.
 - 6. Support administrative/legislative actions and funding to advance the Delta Freshwater Pathway, levee improvements, and secure flood-fighting materials and stockpiles.
 - 7. Support administrative/legislative actions in the Delta watershed to account for and administer the water rights system, including protecting stored water releases.
 - 8. Support administrative/legislative actions and funding to advance Sites Reservoir and the Voluntary Agreements, consistent with the Board's action to advance these efforts.



- B. Colorado River Resources The Colorado River is a critical resource for the entire Southwest and many diverse ecosystems. Degradation of the River's water quality can cause significant economic, environmental, and human health impacts across the West. Metropolitan and other interested parties work to ensure we can continue to supply our communities with a safe and reliable water supply.
 - 1. Support administrative/legislative actions and funding of conservation and efficiency projects to enhance the resiliency of the Colorado River System and Metropolitan's Colorado River supplies that reduces the risk of Lake Mead and Lake Powell falling below critical elevations.
 - 2. Support administrative/legislative actions and funding for the cleanup of contaminated sites along the Colorado River. This includes, but is not limited to, uranium remediation in Moab, Utah; perchlorate remediation in Henderson, Nevada; hexavalent chromium remediation near Topock, Arizona; and a waste disposal site near Hoover Dam.
 - 3. Promote continued coordination between states for the Colorado River Basin Salinity Control Program. Support efforts to maintain and enhance the operation of the United States Bureau of Reclamation's Paradox Valley salinity control project at a safe level while working to develop a viable alternative that can provide long-term reductions in salt loads to the Colorado River.
 - 4. Secure funding and support administrative/legislative actions for the implementation of the Lower Colorado River Multi-Species Conservation Program to promote the recovery of threatened and endangered species in a manner that allows the Lower Basin States to conserve Colorado River water.
 - 5. Support administrative/legislative actions and funding that advance binational water conservation programs that benefit Colorado River supply augmentation and habitat restoration objectives.
- C. State Water Project About 30 percent of Southern California's water comes from the SWP in an average year. Metropolitan works with state and federal agencies as well as other SWP contractors to manage threats to the project and address environmental needs and augment water supplies through existing and potential collaborative transfers and groundwater banking agreements.
 - 1. Support administrative/legislative actions and funding to address the impacts of subsidence on the SWP and prevent future damage caused by unsustainable groundwater pumping.
 - 2. Support administrative/legislative actions and funding for new or expanded water infrastructure or programs that complement the SWP.
 - 3. Support funding for joint state and federal facility repairs, rehabilitation, and improvements, and ensure funding is equitably distributed between partners while maintaining SWP supply reliability.
 - 4. Support administrative/legislative actions and funding for the cleanup of contaminated groundwater storage basins used for Metropolitan water banking programs along the California Aqueduct.



- 5. Support funding for the public share of costs, including recreation, flood protection, mitigation, environmental enhancement, and rehabilitation for multipurpose SWP facilities.
- V. Sustainability, Resiliency, and Innovation Metropolitan supports policies and funding that encourage sustainable practices that improve water and power system resilience and adapt to a rapidly changing environmental landscape. Metropolitan strives to fulfill the needs of the current generation without compromising the needs of future generations in an environmentally and economically responsible way.
 - A. Climate Action and Adaptation
 - 1. Support administrative/legislative actions and funding to implement Metropolitan's Climate Action Plan to reduce Metropolitan's greenhouse gas emissions and reach carbon neutrality by 2045.
 - 2. Support administrative/legislative actions and funding to assist the Department of Water Resources to reach carbon neutrality by 2045 in a cost-effective and environmentally responsible manner.
 - 3. Support administrative/legislative actions and funding to improve, develop and promote innovative climate adaptation solutions and support science-based strategies and tools that benefit the environment by restoring healthy soils, conserving water, and capturing and/or sequestering carbon.
 - 4. Support research into the potential water resource and quality effects of climate change.
 - 5. Support administrative/legislative actions and funding that facilitate the integration of existing and planned local water supply, distribution systems, and regional water facilities.
 - B. Water/Energy Nexus
 - 1. Support administrative/legislative actions and funding for energy efficiency and storage projects, and programs to reduce greenhouse gases and develop renewable resources.
 - 2. Support administrative/legislative actions that remove barriers and encourage energy sector investments in water conservation and energy management programs.
 - 3. Support administrative/legislative or regulatory activities that preserve Metropolitan's ability to pursue a diverse set of supply options and oppose constraints on supply development, such as water resource loading orders based solely on energy intensity.
 - 4. Support efforts to ensure power costs are appropriate and proportional to the benefits received and that water system operations are not adversely affected by power-related legislation/administrative actions.
 - 5. Support administrative/legislative actions that provide state funding from the Greenhouse Gas Reduction Fund for water/energy nexus projects and maintain



Cap-and-Trade allowances for Metropolitan and Department of Water Resources (i.e., State Water Contractors).

- 6. Support administrative/legislative actions that maintain Board authority over energy-related matters (e.g., system reserve margin or resource adequacy requirements).
- C. Renewable Energy
 - 1. Support administrative/legislative actions that define hydropower generation as renewable energy irrespective of a facility's nameplate generating capacity and includes the provision of renewable energy credits for hydroelectric generation.
 - 2. Work to ensure that administrative/legislative actions seeking to enhance or expand hydropower at existing dams do not adversely impact those dams, either financially or operationally, or entities with rights to the power from the existing resources that directly or indirectly impact Metropolitan's service area.
 - 3. Support administrative/legislative actions to improve federal hydropower relicensing for existing facilities, including SWP resources.
 - 4. Support administrative/legislative actions and funding for the SWP and the Colorado River Aqueduct (CRA) to incorporate renewable energy resources, such as pumped hydroelectric energy, that contribute to the state's climate goals without impacting the projects' primary purpose, provided consideration is given to transmission limitations, cost and portfolio availability, and unrelated impacts are not shifted to SWP or CRA facilities.
- D. Environmental Stewardship
 - 1. Support administrative/legislative actions for environmental compliance to improve clarity and workability of the requirements and promote consistency and reduce regulatory duplication, while protective of public health and the environment.
 - 2. Support administrative/legislative actions and funding to facilitate non-mitigation habitat restoration projects that benefit endangered and threatened species.
 - 3. Support administrative/legislative actions and funding for research and partnerships on water science, including snowpack and streamflow monitoring, runoff, drinking water quality, salinity control, source water protection, soil moisture monitoring, healthy soils, and watershed research.
 - 4. Support administrative/legislative actions and funding that assists public agencies in the transition to zero-emission fleets and equipment.
- E. Workforce Development Metropolitan is committed to ensuring the resiliency of its workforce and to advancing diversity, equity, and inclusion to promote the physical and mental safety and well-being of its workforce and the communities it serves.
 - 1. Support administrative/legislative actions, funding, and partnerships to improve educational opportunities in the water sector, including career technical education and workforce development.

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- 2. Support administrative/legislative actions and funding that improve water system staff training and certification processes.
- F. Innovation Supporting and promoting innovation and emerging technologies continues Metropolitan's long tradition of creatively solving difficult challenges.
 - 1. Support administrative/legislative actions and funding for the research and development of new and emerging technologies such as satellite- and computerbased technologies to monitor source water quality, ecosystem health, state- and federal-threatened and endangered fish species; measure and predict agricultural water use, urban outdoor water use and reservoir evaporation; and expand coordination with technology incubators, research institutions, and other stakeholder groups.
 - 2. Support administrative/legislative actions and funding to promote open water data platforms and sharing, including improving access to agency data, streamlining the collection and submission of water agency data, and promoting collaboration among federal, state, and local stakeholders.
- VI. Infrastructure Metropolitan has a strategic priority to invest in key capital projects in our region to enable long-term, reliable water deliveries. Key capital projects identified in Metropolitan's Capital Investment Plan focus on improvements to the CRA, treatment plants, and distribution systems.
 - A. Support administrative/legislative actions to initiate, expedite and secure funding to defray the costs of planning, financing, constructing, repairing, and rehabilitating water infrastructure projects, including but not limited to general obligation bonds, tax-exempt municipal bonds, grants, low-interest loans, and direct appropriations. Ensure equitable cost-sharing of water infrastructure projects.
 - B. Support administrative/legislative efforts to expand funding programs, expedite project approval and reporting processes, and prevent project backlogs in state and federal funding or financing.
 - C. Support the "beneficiaries pay" approach as a financing mechanism for statewide projects and programs and oppose public goods charges, or other charges levied on water agencies for funding broader public benefits.
 - D. Support funding for the public share of costs, including mitigation, rehabilitation, and recreation, for multi-purpose water infrastructure.
- VII. System Resiliency Metropolitan diligently maintains and significantly invests to safeguard a region-wide water supply system that is a cornerstone of Southern California's \$1.6 trillion economy. Resiliency ensures the water supply and delivery system is strong, can return to service quickly, and is prepared to address future challenges.
 - A. Emergency Preparedness
 - 1. Support administrative/legislative actions that assist the water industry to prepare for, respond to, and recover from extreme weather events and natural disasters, including earthquakes and wildfires, catastrophic accidents, and physical or cyber sabotage. These actions may include, but are not limited to, actions to provide



funding for emergency responses and planning and post-emergency restoration of service.

- 2. Support administrative/legislative actions to secure and disburse funding to help public water systems defray the costs associated with COVID-19 (e.g., loss of revenue, deferred infrastructure maintenance, personal protective equipment, workplace health and safety improvements, and on-site testing) and for direct financial relief to low-income households facing substantial utility bill arrearages post COVID-19.
- 3. Support administrative/legislative actions that assist the water industry to address the effects of wildfires and power outages, including the impacts of public safety power shutoff events.
- 4. Support additional funding for the Federal Emergency Management Agency programs to assist with emergency repairs and improvements, including but not limited to dam safety, spillway improvements, and erosion control repairs.
- B. Physical and Cyber Security
 - 1. Support continued U.S. Environmental Protection Agency oversight of water system security in coordination with other federal and state agencies with expertise in security, including the Governor's Office of Emergency Services, the Cybersecurity and Infrastructure Security Agency, and the Chemical Security Analysis Center.
 - 2. Support administrative/legislative actions that would provide funding or reimbursement for enhanced physical security and cybersecurity for water and power infrastructure.
 - 3. Support trade associations and coalition efforts to share information and develop standard guidance and best management practices to protect water and power critical infrastructure from cyber vulnerabilities.
 - 4. Support administrative/legislative actions that ensure Metropolitan's ability to reliably operate and maintain its facilities, infrastructure, and real estate assets, including rights of way, and to protect against encroachment.
- C. Chemical Security
 - 1. Support administrative/legislative actions to improve supply chain reliability, achieve tax-exempt status for water treatment chemicals, and ensure access to water treatment chemicals.
 - 2. Support administrative/legislative actions to ensure the continued use of gaseous chlorine to protect public health.



2024 LEGISLATIVE PRIORITIES AND& PRINCIPLES

The 2024 Legislative Priorities and Principles lay out an integrated "One Water" collaborative approach to managing Southern California's watersheds, water resources, and water infrastructure to ensure long-term resilience and reliability for communities and ecosystems.

Staff use this document to advocate for these priorities and principles at the state and federal levels through advancing Metropolitan-sponsored legislation, engaging on bills or pursuing <u>federal and state</u> funding.



2024 Legislative Priorities

To help adapt to a changing climate, protect water resources, and partner with communities we serve, Metropolitan will work to support administrative/legislative actions and <u>federal and state</u> funding for the following priorities in 2024:

- A. Top Legislative Priorities:
 - Continue support for imported water supply resiliency and reliability, including
 progress on the Delta Conveyance Project, Sites Reservoir Project, <u>Agreements to
 Support Healthy Rivers and Landscapes (Voluntary Agreements, and protecting
 eritical elevations in Lake Powell)</u>, and <u>Lake Mead.development of near-term and
 post-2026 Colorado River operating guidelines.</u>
 - 2. Conserve existing water supplies and prepare for climate change by supporting demand management and water use efficiency, long-term non-functional turf conversion, and a federal tax exemption for water conservation rebates.
 - 3. Advance Pure Water Southern California and other water recycling projects and long-term supply reliability improvements.
 - 4. Support funding for regional conveyance improvements to ensure the region's water storage is equitably accessible to all member agencies.
 - 4.5. Protect drinking water quality and ensure access to safe and reliable drinking water for all Californians, including upholding the polluter pays principle and ensuring the continued cleanup of sites along the Colorado River.
 - 5.6. Support adaptive management for ecosystem restoration in the Bay-Delta and Colorado River watersheds that takes into consideration evolving climate conditions, risk analyses, and best available science.
- Implement Metropolitan's Climate Action Plan to reduce Metropolitan's greenhouse gas emissions and reach carbon neutrality by 2045.
 - 7. Support administrative/legislative actions that meaningfully Improve water affordability throughout the region at both the individual and the water system level without burdening existing ratepayers.
- B. Metropolitan-Sponsored State Bill (contingent upon separate board authorization)
 - Support administrative/legislative actions and funding forto amend the long-term conversion of non-functional turf (NFT) in residential, commercial, industrial, and institutional (CII)Surface Mining and Reclamation Act to eliminate the sunset date to allow Metropolitan to continue operating under its existing landscapes and ban the installation of NFT in new constructionmaster reclamation plan.



20232024 Legislative Policy Principles

The 20232024 Legislative Policy Principles will guide and inform Metropolitan's engagement on state and federal legislative and regulatory activities. They were developed in consultation with subject matter experts at Metropolitan. The principles described below holistically address sevensix strategic areas of policy that inform Metropolitan's One Water Vision and the Board-led process for developing the Climate Adaptation Master Plan for Water (CAMP4W). These policy areas include: (1) drought response; (2) drinking water; (32) regional water resource management; (43) imported water supply; (54) sustainability, resiliency, and innovation; (6)-5) infrastructure; and (76) system resiliency.

- I. Drought Response –Southern California's two main sources of imported water are currently in severe drought conditions. Investments in additional conservation and local supplies are necessary as drought conditions continue or worsen and the impacts of climate change are accelerating.
 - A. Support legislative/administrative actions and funding for local and regional drought resiliency projects and to improve system flexibility.
 - B. Support legislative/administrative actions and funding to accelerate new local supply development, including but not limited to recycled water, stormwater, groundwater remediation, water loss detection and repair, long-term conversion of non-functional turf, and other water conservation measures.
 - C. Support administrative/legislative actions and funding for imported source watershed protection and enhancement of water quality, supply, and demand side management actions to help offset the effects of extended drought conditions.
 - D. Support administrative/legislative actions and pursue funding opportunities that recognize and help mitigate the significant differences in the capability and needs of communities and regions to withstand the impacts of ongoing drought.

<u>I.</u> Support administrative/legislative actions and funding for local drought contingency planning areas in the state that have increased concern about wholesale water system delivery constraints. Drinking Water – Metropolitan provides to the Southern California region high-quality, reliable drinking water in an economically responsible way that surpasses all federal and state drinking water regulations.

- A. Water Quality and Treatment
 - Support administrative/legislative actions that utilize best available science, occurrence and health effects data, and appropriate cost-benefit analyses or economic feasibility to protect public health and improve water quality. Apply these principles when setting maximum contaminant levels, health advisories, or notification/response levels, in addition to assessing laboratory capacity, analytical methods, and other regulatory standards or guidance levels.



- 1. Support administrative/legislative actions, consistent with Board direction, to identify, evaluate, and prioritize constituents of emerging concern in drinking water.
- 2. Support application of the "polluter pays" principle such that parties responsible for introducing contaminants in or near drinking water sources are held liable for cleanup, and not drinking water and wastewater facilities that subsequently store, transport, or treat the water.
- 3. Support administrative/legislative actions and funding for treatment and mitigation measures to comply with any new regulatory standards, develop risk communication tools, as well as provide adequate time for implementation.
- 4. Support administrative/legislative actions and funding to protect source water quality, reduce threats from invasive species, and mitigate harmful algal blooms.
- 5. Support administrative/legislative actions and funding for the constituents of emerging concern (CEC) Action Fund to improve the State Water Resource Control Board's knowledge of CEC in waters of the state and drinking water.
- B. Water Governance, <u>Affordability</u>, and Funding: -- Metropolitan supports statewide efforts to provide access to safe, <u>reliable</u> and affordable drinking water to all residents.
 - 1. Support administrative/legislative actions that prioritize providing safe<u>, reliable</u> and affordable drinking water to disadvantaged communities.
 - Support administrative/legislative actions <u>and funding</u> that <u>meaningfully</u> improve water affordability throughout the region at both the individual and the water system level, <u>especially for disadvantaged communities</u>, without burdening existing ratepayers.
 - 3. Support funding to help water systems provide low-income ratepayer assistance programs.
 - 4. Support administrative/legislative actions that improve governance and long-term sustainability of non-compliant water systems and provide assistance for voluntary consolidations that improve their technical, managerial, or financial capacity, while ensuring that all receiving public water systems are consulted on changes of organization, including proposed consolidations or extensions of service area.
 - 5. Support administrative/legislative actions that provide local agencies flexibility in determining fees for service and assessment amounts.
 - 5.6. Support administrative/legislative actions that ensure the limited resources of the Safe and Affordable Drinking Water Fund are allocated to advance projects, operation and maintenance costs, infrastructure improvements, and/or consolidation actions that will achieve long-term sustainability for water systems and the communities that rely on those systems.



II. Regional Water Resource Management – Metropolitan's One Water Vision promotes<u>and the</u> Board-led CAMP4W process promote collaboration with member agencies to plan for future water supply needs and the challenges ahead in a reliable, cost-effective, and environmentally responsible manner. This involves protecting imported water supplies and quality, supporting local resource development, advancing water use efficiency, and supporting ecosystem protection and restoration.

- 1. Continue to support and promote integrated water resources development by advocating for clear, concise, and expedited regulations/policies that are easily understandable by the regulated community and public.
- B. Support administrative/legislative actions and funding to expedite the development of new local resources (including recycled water and direct potable reuse, groundwater, stormwater, and desalination projects) without compromising the operational, financial, water quality, regulatory, environmental, and customer interests of Metropolitan and other water and wastewater agencies.
- C. Support administrative/legislative actions and funding to facilitate the implementation of the Sustainable Groundwater Management Act and assist local agencies in maintaining long-term groundwater supply reliability, while upholding Metropolitan's investments in groundwater banking partnerships.

B.A. Conservation

- Support tax exemptions and/or credits for water conservation or efficiency incentives, including but not limited to long-term conversion of <u>NFT,non-</u> <u>functional turf (NFT)</u>, local stormwater capture, and other measures to reduce consumption of water or enhance the absorption and infiltration capacity of the landscape.
- 2. Support administrative/legislative actions and <u>federal/state</u> funding to encourage equitable water use efficiency and recycled water use among agricultural, industrial, and urban sectors.
- 3. Support administrative/legislative actions and funding to advance Conservation as a California Way of Life in a manner that maintains flexibility and local control. Support efforts to ensure new statutes and regulations are based on science; recognize regional distinctions (i.e., climate, land use, population, and hydrology); and potential impacts to wastewater operations and recycled water projects.
- 4. Support administrative/legislative actions and <u>federal/state</u> funding for leak detection and water loss reduction. Support the development and implementation of flexible water loss standards for both retail and wholesale water systems.
- 5. Support administrative/legislative actions and <u>federal/state</u> funding for the long-term conversion of NFT in residential, commercial, industrial, and institutional landscapes and ban installation of NFT in new construction.



- C.B. Desalination & Groundwater Remediation
 - Support administrative/legislative actions, funding, and partnerships for brackish groundwater and seawater desalination projects, consistent with the Governor's Water Resilience Portfolio and <u>2022</u> Water Supply Strategy and Metropolitan's <u>Climate Action PlanCAMP4W goals</u>.
 - 2. Support administrative/legislative actions and funding for salinity control projects, including but not limited to source control, treatment, and concentrate management.
 - 3.<u>1.</u>Support administrative/legislative actions and funding that advance Metropolitan's groundwater storage and/or recovery programs with member agencies.
 - 4.3. Support administrative/legislative actions and funding for desalination research and technology development projects, and initiatives that, pilot tests, and demonstration studies to encourage stakeholder coordination on these investments, such as with the National Alliance for Water Innovation_development of environmentally sustainable and climate-resilient desalination technologies.
- D.C. Recycled Water
 - 1. Support actions to advance and secure funding for the Pure Water Southern California Program and related projects.
 - 2. Support efforts to improve flexibility of the State's water recycling grant program.
 - 3. Support implementation of the National Water Reuse Action Plan and California Water Reuse Action Plan while protecting local flexibility and encouraging local, state, and federal coordination, research, and innovation.
 - 4. Support administrative/legislative actions <u>and funding</u> that facilitate the adoption of <u>practical uniform water recycling criteria for</u> direct potable reuse through raw water augmentation<u>regulations</u> by December 31, 2023. These actions include but are not limited to <u>funding: (a) for the planning</u>, development, and implementation of local and regional potable reuse projects; and (b) initiatives to fill research gaps and advance the science to promote the further development of potable reuse.
 - 5. Support administrative/legislative actions to promote voluntary on-site water treatment systems if they maintain compliance with Title 22 and do not negatively affect municipal water recycling systems.
 - 6. Support administrative/legislative actions that maximize voluntary use of



recycled water.

D. Stormwater Capture

D. Local Supply Development

- 1. Support administrative/legislative actions that protect and advance local flexibility and responsiveness in developing locally appropriate, climate-resilient diverse resource portfolios.
- 2. Continue to support and promote integrated water resources development by advocating for clear, concise, and expedited regulations/policies that are easily understandable by the regulated community and public.
- 3. Support administrative/legislative actions and funding to expedite the development of new local resources (including recycled water, direct potable reuse, groundwater, stormwater, desalination projects, and groundwater remediation) without compromising the operational, financial, water quality, regulatory, environmental, and customer interests of Metropolitan and other water and wastewater agencies.
- 7.4. Support administrative/legislative actions that advance stormwater as a beneficial resource and facilitate the funding and permitting of stormwater capture projects to augment local and regional water supplies and promote holistic watershed health.
- 5. Support administrative/legislative actions and funding that advance Metropolitan's groundwater storage and/or recovery programs with member agencies.
- E. Watershed Management
 - 1. Support administrative/legislative actions and funding to enhance watershed management in Southern California, the Bay-Delta, and Colorado River watersheds that provide broad public benefits, including water quality and water supply reliability, reduced wildfire risks, greater scientific understanding, and other environmental improvements.
 - 2. Support administrative/legislative actions that help advance implementation of watershed management plans, including watershed research and multi-benefit forestry management projects.
 - 3. Support implementation of the California Water Resiliency Portfolio and the Water Supply Strategy, as consistent with Metropolitan goals and objectives, to ensure improved watershed-scale coordination, watershed management and planning, and programs and funding that provide water resilience and improve watershed functions.



III. Imported Water Supply – Metropolitan provides imported water supplies to its member agencies from two primary sources, the Colorado River via the Colorado Aqueduct and Northern California watersheds via the Sacramento-San Joaquin Delta and the State Water Project.

- A. Bay-Delta Initiatives– Metropolitan is involved in several key regulatory and planning processes in the Sacramento-San Joaquin Delta related to the operation of the State Water Project (SWP). The goal is to advance water supply reliability and ecosystem restoration concurrently by modernizing the state's water infrastructure with the proposed Delta Conveyance Project and improving the habitat and function of the Delta estuary for the benefit of threatened and endangered species. To advance these goals, Metropolitan supports collaborative scientific efforts to better understand how to restore and manage the Bay-Delta while reducing reliance consistent with the <u>2009</u> Delta Reform Act-<u>(Delta Reform Act)</u>.
 - 1. Support administrative/legislative actions to advance Delta Conveyance and EcoRestore in support of California's coequal goals of water supply reliability and Delta ecosystem restoration and the Governor's California Water Resilience Portfolio.
 - 2. Support administrative/legislative actions and funding to improve scientific understanding of listed Delta fish and wildlife species and water project operations in the Delta, including data collection, real-time monitoring, and modeling. Promote the use of best available science to protect and restore aquatic species and habitats, and enhance flexibility for water project operations while maintaining regulatory and statutory protections for species listed under the state and federal Endangered Species Act.
 - Continue support for implementation of state policies adopted as part of the 2009 Delta Reform Act and water management package, including clarification of the monitoring, reporting, and enforcement provisions related to in-Delta diversions.
 - 4. Support administrative/legislative actions to consolidate review and oversight of anadromous species protection under the U.S. Department of the Interior.
 - Support administrative/legislative actions that protect water quality for beneficial uses and that are implemented consistent with <u>California</u> water rights priorities.
 - Support administrative/legislative actions and funding to advance the Delta Freshwater Pathway, levee improvements, and secure (including levee modernization for the existing Delta levee system), levee maintenance programs (including real-time monitoring for the existing Delta levee system), and secure Delta flood-fighting materials and stockpiles.



- 7. Support administrative/legislative actions in the Delta watershed to account for and administer the <u>California</u> water rights system, including protecting stored water releases.
- Support administrative/legislative actions and funding to advance Sites Reservoir and the <u>Agreements to Support Healthy Rivers and Landscapes</u> (Voluntary Agreements;), consistent with the Board's action to advance these efforts.
- B. Colorado River Resources The Colorado River is a critical resource for the entire Southwest and many diverse ecosystems. Degradation of the <u>Colorado</u> River's water quality can cause significant economic, environmental, and human health impacts across the West. Metropolitan and other interested parties work to ensure we can continue to supply our communities with a safe and reliable water supply.
 - Support administrative/legislative actions and funding of conservation and efficiency projects to enhance the resiliency of the Colorado River System and Metropolitan's Colorado River supplies that reduces the risk of Lake Mead and Lake Powell falling below critical elevations<u>Aqueduct</u>.
 - 2. Support administrative/legislative actions and funding to ensure that sufficient water is stored and delivered from Lake Mead to meet human health and safety needs.
 - 2.3. Support administrative/legislative actions and funding for the cleanup of contaminated sites along the Colorado River. This includes, but is not limited to, uranium remediation in Moab, Utah; perchlorate remediation in Henderson, Nevada; hexavalent chromium remediation near Topock, Arizona; and a waste disposal site near Hoover Dam.
 - <u>4.</u> Promote continued coordination between states for and federal agencies to further the Colorado River Basin Salinity Control Program. (Program). Support actions to stabilize the financial position of the Program.
 - 3.5. Support efforts to maintain and enhance the operation of the United States Bureau of Reclamation's Paradox Valley <u>Unit</u> salinity control project at a safe level while working to develop a viable alternative that <u>can provideprovides</u> long-term reductions in salt loads to the Colorado River.
 - 6. Support legislative efforts to revise the salinity standard for Colorado River water delivered under the U.S. treaty with Mexico to increase water conservation.
 - 7. Support legislative action to include water conservation as a criterion for selecting salinity control projects in the upper Colorado River Basin.



- 4.8. Secure funding and support administrative/legislative actions for the implementation of the Lower Colorado River Multi-Species Conservation Program to promote the recovery of threatened and endangered species in a manner that allows the Lower Basin States to conserve Colorado River water.
- 5.9. Support administrative/legislative actions and funding that advance binational water conservation programs that benefit Colorado River supply augmentation and habitat restoration objectives.
- <u>10. Support administrative/legislative actions and funding for the U.S. Bureau of</u> <u>Reclamation to update and apply 43 C.F.R. Part 417 reasonable and beneficial</u> <u>use determinations.</u>
- C. State Water Project About 30 percent of Southern California's water comes from the SWP in an average year. Metropolitan works with state and federal agencies as well as other SWP contractors to manage threats to the project and address environmental needs and augment water supplies through existing and potential collaborative transfers and groundwater banking agreements.
 - 1. Support administrative/legislative actions and funding to address the impacts of subsidence on the SWP and prevent future damage caused by unsustainable groundwater pumping.
 - 9. Support administrative/legislative actions and funding for new or expanded water infrastructure or programs that complement the SWP.
 - 2. Support funding for joint state and federal facility repairs, rehabilitation, and improvements, and ensure funding is equitably distributed between partners while maintaining SWP supply reliability.
 - 3. Support administrative/legislative actions and funding for the cleanup of contaminated groundwater storage basins used for Metropolitan water banking programs along the California Aqueduct.
 - 4. Support funding for the public share of costs, including recreation, flood protection, mitigation, environmental enhancement, and rehabilitation for multi-purpose SWP facilities.

<u>IV.</u> Sustainability, Resiliency, and Innovation – Metropolitan supports policies and funding that encourage sustainable practices that improve water and power system resilience and adapt to a rapidly changing environmental landscape. Metropolitan strives to fulfill the needs of the current generation without compromising the needs of future generations in an environmentally and economically responsible way.

E. Climate Action and Adaptation

A. Carbon Neutrality

1. Support administrative/legislative actions and funding to implement



Metropolitan's Climate Action Plan to reduce Metropolitan's greenhouse gas emissions and reach carbon neutrality by 2045.

- Support administrative/legislative actions and funding to assist the Department of Water Resources to reachin reaching carbon neutrality for the <u>State Water Project</u> by 2045 in a cost-effective and environmentally responsible manner.
- 3. Support administrative/legislative actions and funding to improve, develop_ and promote innovative climate adaptation solutions and support sciencebased strategies and tools that benefit the environment by restoring healthy soils, conserving water, and capturing and/or sequestering carbon.
- 1. Support research into the potential water resource and quality effects of climate change.
 - 4. <u>Support administrative/legislative actions and funding that assists public</u> <u>agencies in the transition to zero-emission fleets and equipment.</u>
 - -----Support administrative/legislative actions and funding that facilitate the integration of existing and planned local water supply, distribution systems, and regional water facilities.
- A.B. Water/Energy Nexus
 - 1. Support administrative/legislative actions and funding for energy efficiency and storage projects, and programs to reduce greenhouse gases and develop renewable resources.
 - 2. Support administrative/legislative actions that remove barriers and encourage energy sector investments in water conservation and energy management programs.
 - 3. Support administrative/legislative or regulatory activities that preserve Metropolitan's ability to pursue a diverse set of supply options and oppose constraints on supply development, such as water resource loading orders based solely on energy intensity.
 - 4. Support efforts to ensure power costs are appropriate and proportional to the benefits received and that water system operations are not adversely affected by power-related legislation/administrative actions.
 - 5. Support administrative/legislative actions that provide state funding from the Greenhouse Gas Reduction Fund for water/energy nexus projects and maintain Cap-and-Trade allowances for Metropolitan and Department of Water Resources (i.e., State Water Contractors).

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6. Support administrative/legislative actions that maintain Board authority over energy-related matters (e.g., system reserve margin or resource adequacy requirements).

B.C. Renewable Energy

- 1. Support administrative/legislative actions that define hydropower generation as renewable energy irrespective of a facility's nameplate generating capacity and <u>includesinclude</u> the provision of renewable energy credits for hydroelectric generation.
- 2. Work to ensure that administrative/legislative actions seeking to enhance or expand hydropower at existing dams do not adversely impact those dams, either financially or operationally, or entities with rights to the power from the existing resources that directly or indirectly impact Metropolitan's service area.
- 3. Support administrative/legislative actions to improve federal hydropower relicensing for existing facilities, including SWP resources.
- 4. Support administrative/legislative actions and funding for the SWP and the Colorado River Aqueduct (CRA) to incorporate renewable energy resources, such as pumped hydroelectric energy, that contribute to the state's climate goals without impacting the projects' primary purpose, provided consideration is given to transmission limitations, cost and portfolio availability, and unrelated impacts are not shifted to SWP or CRA facilities.

C.D. Environmental Stewardship

- 1. Support administrative/legislative actions for environmental compliance to improve clarity and workability of the requirements and promote consistency and reduce regulatory duplication, while protective of protecting public health and the environment.
- 2. Support administrative/legislative actions and funding to facilitate nonmitigation habitat restoration projects that benefit endangered and threatened species.
- 3. Support administrative/legislative actions and funding for research and partnerships on water science, including snowpack and streamflow monitoring, runoff, drinking water quality, salinity control, source water protection, soil moisture monitoring, healthy soils, and watershed research.
- D.E. Support administrative/legislative actions and funding that assists public agencies in the transition to zero-emission fleets and equipment. Workforce Development – Metropolitan is committed to ensuring the resiliency of its workforce and to advancing diversity, equity, and inclusion to promote the physical and mental safety and well-being of



its workforce and the communities it serves.

- 1. Support administrative/legislative actions, funding, and partnerships to improve educational opportunities in the water sector, including career technical education and workforce development.
- 2. Support administrative/legislative actions and funding that improve water system staff training and certification processes.

E.F. Innovation – Supporting and promoting innovation and emerging technologies continues Metropolitan's long tradition of creatively solving difficult challenges.

- 1. Support administrative/legislative actions and funding for the research and development of new and emerging technologies such as satellite- and computer-based technologies to monitor source water quality, ecosystem health, state- and federal-threatened and endangered fish species; measure and predict agricultural water use, urban outdoor water use, and reservoir evaporation; and expand coordination with technology incubators, research institutions, and other stakeholder groups.
- 2. Support administrative/legislative actions and funding to promote open water data platforms and sharing, including improving access to agency data, streamlining the collection and submission of water agency data, and promoting collaboration among federal, state, and local stakeholders.

V. Infrastructure – Metropolitan has a strategic priority to invest in key capital projects in our region to enable long-term, reliable water deliveries. Key capital projects identified in Metropolitan's Capital Investment Plan focus on improvements to the CRA, treatment plants, and distribution systems.

- A. Support administrative/legislative actions to initiate, expedite, and secure funding to defray the costs of planning, financing, constructing, repairing, and rehabilitating water infrastructure projects, including but not limited to general obligation bonds, tax-exempt municipal bonds, grants, low-interest loans, and direct appropriations. Ensure equitable cost-sharing of water infrastructure projects.
- B. Support administrative/legislative efforts to expand funding programs, expedite project approval and reporting processes, and prevent project backlogs in state and federal funding or financing.
- C. Support the "beneficiaries pay" approach as a financing mechanism for statewide projects and programs and oppose public goods charges, or other charges levied on water agencies for funding broader public benefits.
- D. Support funding for the public share of costs, including mitigation, rehabilitation, and recreation, for multi-purpose water infrastructure.
- E. Support administrative/legislative actions and funding for new or expanded water



infrastructure or programs that complement existing water supplies to ensure reliability for all member agencies.

<u>VI.</u> System Resiliency – Metropolitan diligently maintains and significantly invests to safeguard a region-wide water supply system that is a cornerstone of Southern California's \$1.6 trillion economy. <u>Changes in the climate and accompanying weather extremes are serious challenges</u> facing Metropolitan. Additionally, Metropolitan needs to be prepared to respond rapidly to natural disasters and security threats. Resiliency ensures the water supply and delivery system is strong, can return to service quickly, and is prepared to address future challenges:

A. Climate Resiliency

- 1. Support legislative/administrative actions and funding for local and regional drought resiliency projects to improve system flexibility.
- 2. Support legislative/administrative actions and funding for planning and research into the potential water resource and quality effects of climate change.
- 3. Support administrative/legislative actions and funding for imported source watershed protection and enhancement of water quality, supply, and demandside management actions to help offset the effects of climate change.
- 4. Support administrative/legislative actions and pursue funding opportunities that recognize and help mitigate the significant differences in the capability and needs of communities and regions to withstand the impacts of climate change.
- 2.5. <u>Support administrative/legislative actions and funding for local drought</u> <u>contingency planning areas in the state that have increased concern about</u> <u>wholesale water system delivery constraints.</u>
 - 6. Support administrative/legislative actions and funding that facilitate the integration of existing and planned local water supply, distribution systems, and regional water facilities.

B. Emergency Preparedness

 Support administrative/legislative actions that assist the water industry to preparein preparing for, respondresponding to, and recoverrecovering from extreme weather events and natural disasters, including earthquakes and wildfires, catastrophic accidents, and physical or cyber sabotage. These actions may include, but are not limited to, actions to provide funding for emergency responses and planning and post-emergency restoration of service.

2. Support administrative/legislative actions to secure and disburse funding to help public water systems defray the costs associated with COVID-19 (e.g., loss of revenue, deferred infrastructure maintenance, personal protective equipment,



workplace health and safety improvements, and on-site testing) and for direct financial relief to low-income households facing substantial utility bill arrearages post COVID-19.

- 2. Support administrative/legislative actions that assist the water industry to address the effects of wildfires and power outages, including the impacts of public safety power shutoff events.
- 3. Support additional funding for the Federal Emergency Management Agency programs to assist with emergency repairs and improvements, including but not limited to dam safety, spillway improvements, and erosion control repairs.
- C. Physical and Cyber Security
 - 1. Support continued U.S. Environmental Protection Agency oversight of water system security in coordination with other federal and state agencies with expertise in security, including the Governor's Office of Emergency Services, the Cybersecurity and Infrastructure Security Agency, and the Chemical Security Analysis Center.
 - 2. Support administrative/legislative actions that would provide funding or reimbursement for enhanced physical security and cybersecurity for water and power infrastructure.
 - 3. Support trade associations and coalition efforts to share information and develop standard guidance and best management practices to protect water and power critical infrastructure from cyber vulnerabilities.
 - 4. Support administrative/legislative actions that ensure Metropolitan's ability to reliably operate and maintain its facilities, infrastructure, and real estate assets, including rights of way, and to protect against encroachment.

D. Chemical Security

- 1. Support administrative/legislative actions to improve supply chain reliability, achieve tax-exempt status for water treatment chemicals, and ensure access to water treatment chemicals.
- 2. Support administrative/legislative actions to ensure the continued use of gaseous chlorine to protect public health.