

Legislation and Communications Committee

Legislative Update on Delta Conveyance Project

July 7, 2025 Item 6d

Subject

Report on recent activities relating to the Delta Conveyance Project

Purpose

To provide an update on relevant state legislative issues

Governor's Delta Conveyance Project Streamlining Package

Seeks to streamline administrative and legal processes for the Delta Conveyance Project

Metropolitan joined a coalition in support of the DCP streamlining package

Backed by existing legislative policy principles and Board action to authorize funding for preconstruction

Projected timeline between August 18 – Sept 9

Joint Legislative Audit Committee

Legislative Update Audit request: Department of Water Resources – Delta Conveyance Project

Submitted by Assembly Member Ransom (D – Stockton)

Hearing took place on June 18

Audit request failed passage

Scope of the Audit Request

Identify the amounts spent on DCP, and the underlying funding sources used.

Determine whether participating agencies have projected the increased cost to ratepayers necessary to repay DCP's construction costs through revenue bonds.

Further, determine how contractors plan to allocate these costs to different classes of ratepayers.

Scope of the Audit

Determine whether DWR has conducted a comprehensive analysis on the potential environmental impacts on the Delta, Delta communities and local economy.

Determine compliance with the Delta Reform Act of 2009 and other laws, rules, and regulations regarding the Sacramento-San Joaquin River Delta.

Metropolitan Responses to Audit Request

The financial resources provided by Metropolitan to DWR for DCP and projected DCP costs are public and remain publicly available.

Additional financial information will be developed and reviewed when Metropolitan considers whether to invest in the project.

The Delta Conveyance Design and Construction Authority, ensures overall accountability, transparency, risk management, and compliance.

Department of Water Resources Responses to Audit Request

Total expenditure for DCP planning, permitting, public engagement, and conceptual engineering has been less than \$300 million.

DWR already completed a rigorous environmental analysis of the DCP.

DWR will submit a certification of consistency with the Delta Plan for the DCP in late 2025.

Metropolitan Engagement

DCP Legislative Update JLAC requested Metropolitan testify at the hearing

Provided written response

Set meetings with JLAC legislators

Request for DCP audit reconsideration pending

