THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Office of the General Manager

March 30, 2021

The Honorable Dianne Feinstein
United States Senate
331 Hart Senate Office Building
Washington, D.C. 20510

RE: Metropolitan Water District of Southern California Fiscal Year 2022 Priorities

Dear Senator Feinstein:

The Metropolitan Water District of Southern California (Metropolitan) appreciates your steadfast leadership and advocacy on critical water issues for California. Metropolitan is a regional wholesaler that provides water for 26 member agencies to deliver - either directly or through their sub-agencies - to nearly 19 million people living in Los Angeles, Orange, Riverside, San Bernardino, San Diego and Ventura counties.

Metropolitan and our member agencies have worked tirelessly during the Covid-19 pandemic to ensure our residents continue to have safe and reliable water services. Metropolitan urges you to consider the following Fiscal Year 2022 (FY22) appropriations requests to support this vital work and ensure the continued safe, reliable and sustainable management of California's water resources.

1. Help Struggling Ratepayers

Even before the pandemic low-income households struggled to afford their water bills. A State Water Resources Control Board report released in February 2020, found that the average Californian household paid around 45 percent more per month for drinking water service in 2015 than in 2007 (inflation-adjusted) due to factors such as increased regulatory compliance costs and repairs to aging infrastructure. The COVID-19 pandemic has made the situation worse. A survey by the he State Water Board to determine the financial impacts of the COVID-19 pandemic indicates the total statewide drinking water debt is up to $600 million. Unpaid balances are untenable both for the customers who worry about unpaid bills and water agencies who are not getting paid for services provided. Over time, arrearages can limit water agencies ability to invest in its system and lead to higher rates. Without dedicated federal assistance low-income households will continue to struggle to pay their water bills and fall even further into arrears.

The FY21 omnibus appropriations bill created a new program at the Health and Human Services Department to provide funds to public water systems to reduce arrearages of low-income customers. The American Rescue Act of 2021 included additional funding for this emergency program. This initial funding will begin to reduce the COVID-related debt burden on low-income households. Metropolitan recommends an additional $500 million for this emergency program in FY22 and hopes it can serve as a model for a permanent water ratepayer assistance program.

2. Invest in the Bureau of Reclamation

The Bureau of Reclamation helps manage and deliver water in the western United States. Metropolitan urges increased investment in Reclamation programs including additional funding for the programs created in the Water Innovation and Infrastructure Improvements for the Nation Act (WIIN, P.L. 114-322). Federal support for the science, storage, water recycling, and desalination programs created in the WIIN Act is essential to ensure water supply reliability. Metropolitan requests at least $40 million for priority scientific investigations, pilot projects and restoration activities to benefit threatened and endangered fish populations in the Bay-Delta ecosystem (see Attachment A), $150 million for storage projects, at least $100 million for water recycling, and $30 million for desalination.

Metropolitan requests at least $60 million in funding for the WaterSmart program in FY22 and supports the Desert Research Institute's request for $5 million in WaterSmart funding for a project to implement the OpenET (Open Evapotranspiration) platform. OpenET utilizes satellite-driven ET models to map monthly field level consumptive water use from agricultural fields and ecosystems. This funding will allow the Bureau of Reclamation to partner with OpenET's broad network of collaborators to refine, develop applications, and operationalize the use of the OpenET platform to support WaterSmart program activities. Once completed, OpenET will provide a tool for credible, transparent, automated, and easily accessible data on consumptive water use across the western United States.

A close partnership between federal and state agencies is essential to securing California's water supply and achieving success in the Sacramento-San Joaquin Delta. The CALFED program helps this partnership work. Metropolitan requests $33 million in funding for CALFED in FY22 and requests its authorization be extended by a year.

The Safety of Dams program evaluates and implements corrective action to address dam safety concerns. Once the Bureau of Reclamation begins risk modifications to a dam, local partners share 15% of the associated costs. In California repairs to the Sisk Dam at the San Luis Reservoir are ready to begin construction as soon as federal funding is available. Metropolitan requests

$250 million for the Initiate Safety of Dams Corrective Action program to improve the safety of Sisk Dam and other dams throughout the western United States.

Additionally, federal investment is needed to restore the carrying capacity of California's water conveyance system. This federal and state system that carries water from the Sacramento-San Joaquin Delta to Southern California has suffered a significant reduction in capacity as a result of land subsidence along the aqueduct. Both groundwater overdraft and drought have contributed to subsidence in these areas and federal support, in conjunction with local and state support, will help restore the capacity and reliability of California's water delivery system. Metropolitan requests $25 million in FY22 from Reclamation's Water Conservation and Delivery fund to begin repairing California's water conveyance system.

The Colorado River Drought Contingency Plan Authorization Act was signed into law in April 2019, and the implementing agreements were signed by the Department of Interior and the Colorado River Basin sates the following May. These historic agreements adopting consensus-based drought contingency plans involved tremendous collaboration among each basin state, American Indian tribes, and the Republic of Mexico. This Act commits the Department of Interior to take affirmative actions to create or conserve 100,000 acre-feet of water annually in Lake Mead for the benefit of the system. The federal commitment to generate system water has not produced the full 100,000 acre-feet amount per year since the legislation was enacted. Metropolitan requests $50 million from Reclamation's Water Conservation and Delivery fund to help DOI meet its full commitment as provided in the Act authorizing the DCP.

3. Protect Colorado River Water Quality

The Colorado River Salinity Control Program has effectively reduced the salinity of Metropolitan's Colorado River supplies by about 20 percent since its inception in the 1970s. A variety of federal agencies contribute to on-going success of this program. In FY22, Metropolitan requests $10.7 million for the Bureau of Reclamation's Salinity Control Program (Title II), $2 million for related programs under the Bureau of Land Management, and $13 million for the Colorado River Basin Salinity Control program portion of the U.S. Department of Agriculture's Natural Resources Conservation Service's Environmental Quality Incentives Program.

Uranium remains a threat to Colorado River water quality until remediation of the Moab disposal site is complete. In 2009, the Department of Energy (DOE) received $108 million in funds under the American Recovery and Reinvestment Act to accelerate removal of a 16 million-ton pile of uranium mill tailings, situated 750 feet from the Colorado River near Moab, Utah. This initial funding allowed for the rapid removal of two million tons of uranium in two years at a rate of two trains per day, five days per week. To date, 11.34 million tons of uranium

mill tailings have been removed. For FY22 Metropolitan requests $50 million to continue removing uranium mill tailings from the Colorado River. This funding will allow the cleanup to be completed in the 2030s.

Reclamation recently informed its Hoover Dam power contractors of the discovery of a waste disposal site near the Hoover Dam and adjacent to the Colorado River. Solid waste from the construction of Hoover Dam, along with other materials over the years, was disposed of at this site. A thorough site assessment is needed to fully investigate the potential water quality impacts of this waste disposal site. Metropolitan requests $1 million to begin the investigation into identifying pollutants that could be entering the Colorado River from this site.

4. Invest in the Environmental Protection Agency's Water Programs

Most federal funding for water infrastructure projects flows through the Environmental Protection Agency's (EPA) Clean Water and Safe Drinking Water State Revolving Fund (SRF). Every year, states receive more SRF project proposals than they have money to fund. Increasing funding for these important programs will help reduce the project backlog. Metropolitan supports the Association of California Water Agencies request for $4 billion for the drinking water and clean water SRF.

Additionally, EPA's Water Infrastructure Finance and Innovation Act (WIFIA) provides low interest loans for large regional water projects. This new program issued its first loans in 2017 and to date, WIFIA has closed 43 loans totaling $7.9 billion in credit assistance to help finance $17.1 billion for water infrastructure, including 15 projects in California. Increasing federal funding for this program will allow more regionally significant projects to move forward. Metropolitan supports the Association of California Water Agencies request for $100 million for WIFIA in FY22.

To advance our understanding of drinking water issues, Metropolitan supports the Water Research Foundation's request for FY22 funding. The Water Research Foundation is research collaborative that leverages local funding with federal funds to increase the impact and reach of applied water research. Research at the Foundation focuses on the most pressing drinking water issues, including treating water contaminants, climate change adaptation, and drought response. To support the work of this organization, Metropolitan requests $20 million for the National Priorities Water Research Grant Program, which is funded through EPA' 's Science and Technology Account. This program ensures that a portion of EPA's research budget is focused on the most pressing public health and environmental issues facing the nation's water sector. Additionally, Metropolitan requests $10 million to fully fund the Innovative Water Technologies Grant Program. This EPA grant program was authorized in the America's Water Infrastructure

Act to develop, test, and deploy innovative water technologies or provide technical assistance to deploy these technologies.

Metropolitan thanks you for your leadership on national water policy initiatives and your ongoing support and commitment to finding solutions for California's water supply and water quality concerns. We look forward to continuing to work with you on these important projects.

Thank you for your consideration of these requests.

Sincerely,

Jeffrey Kightlinger
General Manager

ATTACHMENT A

WIIN Act Funding for Delta Scientific Research
U.S. Department of the Interior

Priority scientific investigations, pilot projects and restoration actions that would benefit from WIIN Act funding include, but are not limited to, the following:

- Complete the Battle Creek Salmon and Steelhead Restoration project and long-term reintroduction of salmonids into Battle Creek;
- Yolo Bypass Salmonid Habitat Restoration and Fish Passage Project to benefit juvenile and adult salmon;
- Delta smelt summer-fall habitat actions, including Suisun Marsh Salinity Control Gates action, to provide Delta smelt with greater access to good habitat and food resources;
- Collaborative Science and Adaptive Management Program to support priority Delta smelt and salmon monitoring and studies, and decision support science;
- Continue the Enhanced Delta Smelt Monitoring (EDSM) program and support enhancements to existing surveys and new monitoring technologies such as environmental DNA;
- Rio Vista Research Station and Fish Technology Center and development of a Delta smelt hatchery and supplementation strategy;
- Aquatic weed control in the Delta to improve habitat conditions;
- Salmonid monitoring and science, including development of a juvenile production estimate for spring run Chinook salmon
- Expansion of the acoustic receiver array for real-time monitoring for salmon;
- Sacramento Valley Salmon Resiliency Strategy near-term actions to improve habitat conditions for salmon and monitor effectiveness;
- Predictive modeling tools to evaluate biological responses in productivity and fish to support management actions; and
- U.S. Geological Survey real-time monitoring stations in the Delta and Suisun Bay.