



THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

July 10, 2023

The Honorable Gavin Newsom
Governor, State of California
1021 O Street, Suite 9000
Sacramento, CA 95814

The Honorable Toni Atkins
Senate President pro Tempore
1021 O Street, Suite 8518
Sacramento, CA 95814

Honorable Ben Allen
California State Senate
1021 O Street, Room 6610
Sacramento, CA 95814

The Honorable Robert Rivas
Assembly Speaker
1021 O Street, Suite 8330
Sacramento, CA 95814

The Honorable Eduardo Garcia
California State Assembly
1021 O Street, Suite 8120
Sacramento, CA 95814

RE: SB 867 (Allen) and AB 1567 (Garcia) Climate Bonds: Metropolitan Support for Recycled Water, Regional Conveyance, Dam Safety, Drought Resilience and Conservation – **SUPPORT IF AMENDED**

Dear Governor Newsom, Pro Tem Atkins, Speaker Rivas, Senator Allen and Assemblymember Garcia:

On behalf of the Metropolitan Water District of Southern California, we strongly support the goals of SB 867 (Allen) and AB 1567 (Garcia) to secure essential funding for critical projects in support of California's response to climate change. Addressing climate change stands as a paramount objective for the Legislature, Administration and Metropolitan, and holds immense significance in ensuring the reliability and quality of Southern California's water supplies. These proposals would build on the commitment and solid track record of the Legislature and the Newsom administration to make sound investments and provide policy direction to advance water supply resiliency and reliability, and we are deeply appreciative of your leadership.

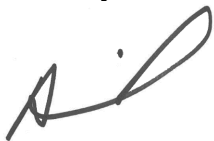
However, in order to effectively achieve our collective goals, it is imperative to supplement existing investments with the necessary resources. With this objective in mind, the Metropolitan Water District, in collaboration with our 26 member agencies and retail suppliers that provide water to 19 million individuals in Southern California, has identified four priority areas in these bond proposals that necessitate additional funding:

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- **Recycled Water – \$1.8 Billion.** Southern California has 70 water recycling and reuse projects in various stages of development that can produce approximately 650,000 acre-feet of water per year. Additional bond funding would advance the ability to develop these essential drought-resilient supplies, realizing benefits not just for our region, but statewide.
- **Urban Conservation and Water Use Efficiency – \$250 Million.** Conservation serves as a pivotal tool for the Metropolitan Water District and other water agencies, and we have consistently implemented successful water efficiency programs that are both cost-effective and accessible to residents, businesses and public agencies. However, to meet the heightened expectations and achieve greater water savings, additional resources are required.
- **Regional Conveyance – \$500 Million.** Metropolitan is developing regional conveyance projects to support the movement of recycled water, as well as move additional water supplies to areas of Los Angeles and Ventura counties that are wholly or largely dependent on the State Water Project. This will help ensure the region is more drought resilient.
- **Dam Safety – \$850 Million.** Metropolitan and its member agencies rely on stored surface water as part of effective water management that is responsive to regional demand. But some reservoirs that are part of our region’s local water systems are struggling to meet state standards. To improve the safety of this vital infrastructure, expand storage availability and build resiliency, additional funding is needed for repairs and improvements.

These climate bonds present a tremendous opportunity to support essential water projects, and Metropolitan looks forward to working with you to further develop these proposed bonds. If you have any questions, please reach out to Metropolitan’s Executive Legislative Representative, Jay Jefferson at (916) 538-4663 or through email at jjeffersonii@mwdh2o.com.

Sincerely,



Adel Hagekhalil
General Manager
Metropolitan Water District of Southern California