

**PROPOSED RESOLUTION NO. R3-2022-0015
PACIFIC GAS & ELECTRIC COMPANY, SETTLEMENT FUNDS ALLOCATION PLAN**

PUBLIC COMMENTS AND STAFF RESPONSES

Prepared on March 25, 2022

On January 31, 2022, California Regional Water Quality Control Board, Central Coast Region (Central Coast Water Board) staff initiated a 30-day public comment period to solicit public comments regarding Proposed Resolution R3-2022-0015 (Proposed Resolution) and supporting documents. The public comment period provided interested persons an opportunity to review the Proposed Resolution, Draft Staff Report, and Draft Project Selection and Ranking Criteria and provide public comments preceding a Central Coast Water Board hearing regarding this matter. Central Coast Water Board staff broadly distributed documents in English and Spanish via direct email to interested parties associated with the May 2021 Pacific Gas and Electric Company Consent Judgment, multiple subscription email lists¹, and publicly posting on the [Central Coast Water Board's website](#)² under both the "Announcements" and "Public Notices" sections of the website. The public comment period commenced on January 31, 2022 and extended through March 2, 2022. The public notice included instructions for submitting comments via e-mail or hard copy and a link to the PG&E Diablo Canyon Power Plant subscription email list to receive future updates.

As a result of the solicitation for public comments, Central Coast Water Board staff received written comments from the following interested persons:

1. Monterey Bay National Marine Sanctuary, Lisa Wooninck, Superintendent, and Bridget Hoover, Water Quality Protection Program Director, in an email attachment received March 2, 2022.
2. Creek Lands Conservation, Don Chartrand, Executive Director, and Karen Worcester, Board Chair, in an email attachment received March 2, 2022.

This attachment provides Central Coast Water Board staff responses to public comments on the Proposed Resolution. Staff appreciate the written comments provided by interested persons. Their comments and insight resulted in several clarifications as summarized in the responses below.

¹ Interested parties subscribed to the following Central Coast Water Board email subscription lists received the notification for solicitation for public comments on Monday January 31, 2022: PG&E Diablo Canyon Power Plant, Environmental Justice, Enforcement Notices, Grant Funding Opportunities, and Groundwater Assessment and Protection (GAP).

² www.waterboards.ca.gov/centralcoast

Based on the written comments received, staff does not recommend any changes to the Proposed Resolution.

1. Monterey Bay National Marine Sanctuary

Comment 1 – 1:

Increase funding toward projects and solutions that need critical funding now.

- “The majority of this funding (70%) is proposed to go to the CCAMP-GAP Endowment and would bring that total endowment to \$6.5M. While we appreciate a large endowment, we’d like to see more of the funding going to projects and solutions that need critical funding now for both surface and ground water quality and supply.”
- “We applaud these priority criteria and would like to see more of the \$5.9M allocated to these community-based grants.”

Response to Comment 1 - 1:

Endowment building and preservation are critical to the long-term success of CCAMP-GAP as endowment earnings create an ongoing and reliable source of annual income to fund priority projects and reduce the risk and uncertainty associated with the dependence on short term funding sources. The endowment annual income will be used to administer and implement CCAMP-GAP project priorities, such as the current drinking water well testing program and future regional groundwater monitoring programs and projects.

The \$5.9 million in PG&E Settlement provides a unique opportunity for the Central Coast Water Board to allocate funds to both present and future CCAMP-GAP priority projects, as the settlement funds are not subject to the State Water Board’s Supplemental Environmental Project Policy. Furthermore, this may be the last opportunity to contribute a large amount of funding to the CCAMP-GAP endowment account at one time.

The overall proposed funding allocation distribution presented in the Proposed Resolution is staff’s recommendation in alignment with Central Coast Water Board priorities that will be achieved by building the endowment to continue the drinking water well testing program and implement future regional groundwater monitoring projects, as well as directing funding towards near-term priority projects through the Central Coast Community-Based Water Quality Grants Program (Grants Program).

Changes Recommended: None

Comment 1 – 2:

Increase the flexibility in the selection and ranking criteria for the small track grants.

- “Our specific comments are in regard to the grants program referenced above (#3), which has been allocated \$1.2M of the \$5.9M. Two proposed tracks consist of large grant proposals (up to \$200k), and small grant proposals (up to \$50k). Project eligibility, for large and small grant proposals is tied to rigid criteria, such as ground water protection, human right to water, environmental justice, and climate resilience.”
- “We request that the current criteria only be required for the large grants and allow more flexibility for successful small grant proposals...Flexibility for the small grants will provide opportunity for projects that are difficult to fund from typical state and federal programs, will leverage other available funding, and will fill critical knowledge gaps.”
- “Of specific interest to MBNMS is integrated analysis of water quality data sets from the multiple monitoring programs, conducting integrated microplastic monitoring in watersheds and the marine environment, and many other critical water quality questions that continue to go unanswered. Please allow some creativity by grant applicants to address water quality on the Central Coast, whether it is focused on marine, surface or groundwater sources.”

Response to Comment 1 - 2:

The project concepts described in Comment 1 – 2 are eligible for funding through the Grants Program. Specific projects associated with these concepts that address environmental justice, underrepresented communities, climate change, and/or other priority criteria will likely be more competitive. Additionally, the intention of the Grants Program is to provide support and flexibility for organizations who may wish to implement smaller projects that are difficult to fund from typical state and federal programs.

Additionally, the project concepts described in Comment 1 – 2 are also eligible for other funding sources such as NOAA’s [Sea Grant](#)³ and the Ocean Protection Council’s [Once-](#)

³ <https://seagrant.noaa.gov/>

Through Cooling Interim Mitigation Program⁴. The California Grants Portal⁵ provides a centralized location to identify additional California state grant opportunities as they become available.

The Grants Program draft project ranking and selection criteria focuses funding towards projects that will benefit water quality and the environment on the Central Coast and address the Central Coast Water Board's highest priorities. The Central Coast Water Board's priorities were discussed and established at many public meetings over the last ten years and are consistent with State Water Board and Central Coast Water Board plans and policies. The draft project ranking and selection criteria provide structure to focus limited resources on high priority projects with measurable objectives and targeted outcomes.

Changes Recommended: None

2. Creek Lands Conservation

Comment 2 – 1:

“Expand CCAMP Coastal Confluences Sampling to Include Estuarine Sampling to Funding Category 1 CCAMP-GAP: Sustain Long-Term Funding.”

- “Creek Lands Conservation has an active estuary monitoring program in five local estuaries (Santa Maria, Arroyo Grande/Meadow Creek, Villa Creek, Santa Rosa, and San Simeon Creeks) to inform baseline estuarine health, support active restoration and management actions, and to increase understanding of pollutant loading and reductions to benefit marine habitats and surface water quality. This program is partially conducted in partnership with State Parks and can serve as a blueprint for essential, cost-effective estuarine monitoring.”
- “Existing CCAMP Coastal Confluence sampling provides important water quality trend data informing estuary health. However, because station locations are typically above tidal influence, and thus upstream of the estuary itself, they cannot answer questions directly about estuary health, particularly related to oxygen depletion from nutrient over-enrichment. We propose to partner with the CCAMP program in order to include estuarine monitoring that directly supports on-going management and restoration efforts of Central Coast estuaries. Central

⁴ \$38 million available in funds earmarked specifically to support Marine Protected Areas on the central coast as directed by the Ocean Protection Council.

<https://www.opc.ca.gov/once-through-cooling-interim-mitigation-program>

⁵ <https://www.grants.ca.gov/>

Coast estuaries are vital for human, recreational, and environmental purposes and support a number of species of special concern including but not limited to steelhead trout and tidewater goby.”

Response to Comment 2 – 1:

Currently, the Central Coast Ambient Monitoring Program (CCAMP), which supports regional surface water quality monitoring, and the Central Coast Ambient Monitoring Program; Groundwater Assessment and Protection (CCAMP-GAP), which supports regional groundwater monitoring and assessment, are funded by separate endowments. While the draft project ranking and selection criteria include priorities such as environmental justice, underrepresented communities, and climate change, surface water and restoration projects are also eligible for the Grants Program. This comment has also been shared with CCAMP staff for consideration during future surface water monitoring design and implementation.

Changes Recommended: None

Comment 2 – 2:

“Include consideration of Groundwater Dependent Ecosystems in CCAMP endowment to Funding Category 1 CCAMP-GAP: Sustain Long-Term Funding.”

- “The Sustainable Ground Management Act (2014) requires that Groundwater Sustainability Agencies (GSA’s) consider Groundwater Dependent Ecosystems (GDE) in achieving sustainability. There is currently no mechanism to monitor GDEs in the County. Integrating GDE monitoring into Category 1 would ensure that this type of groundwater would also be prioritized to provide scientific data and information to protect, restore and enhance groundwater quality and associated ecosystems in the Central Coast region.”

Response to Comment 2 – 2:

A primary purpose of CCAMP-GAP is to provide comprehensive monitoring and assessment of groundwater for the Central Coast Region. CCAMP-GAP accomplishes this through the implementation of regional groundwater monitoring programs and groundwater related projects that evaluate water quality and inform or facilitate the restoration and protection of groundwater beneficial uses and public health. CCAMP-GAP’s funding priorities and implementation activities prioritize groundwater basins that are 100% reliant on groundwater for drinking water, are particularly vulnerable to pollution, documented as impaired, and/or Sustainable Groundwater Management Act (SGMA) high priority basins.

CCAMP-GAP's priorities support SGMA implementation, but with a focus on protecting, restoring, and enhancing groundwater quality. In addition, Resolution No. 2 of the Proposed Resolution prioritizes projects that:

- "Support development and implementation of water quality focused sustainability activities and related projects in regional groundwater sustainability plans (GSPs) and Integrated Regional Water Management (IRWM) plans."
- "Implement drought resiliency projects that help communities prepare for and respond to drought, including providing benefits to ecosystem health. Drought resiliency projects include activities identified in GSPs or that support long-term water resilience and ecosystem health, consistent with the Governor's Executive Order N-10-193."

Although not specifically identified in the draft project ranking and selection criteria, GDE monitoring projects that are identified in GSPs for high priority groundwater basins would be eligible for the Grants Program. In addition, the California Department of Water Resources (DWR) is another potential source of funding for these types of projects through the [Sustainable Groundwater Management Grant Program](#).⁶

Changes Recommended: None

Comment 2 – 3:

"Integrate coordination with GSAs as they develop Land Repurposing Plans."

- "Over time with support from the Department of Conservation (DOC), GSAs will be developing Land Repurposing Plans to target groundwater basin reduction trends. We suggest that as those plans are developed and implemented, that basins with the poorest water quality be prioritized for implementation funding."

Response to Comment 2 – 3:

As stated in the response to Comment 2 – 2 above, CCAMP-GAP's funding priorities and implementation activities will prioritize groundwater basins that are 100% reliant on groundwater for drinking water, are particularly vulnerable to pollution, documented as impaired, and/or SGMA high priority basins. The Proposed Resolution supports these priorities.

⁶ <https://water.ca.gov/Work-With-Us/Grants-And-Loans/Sustainable-Groundwater>

In addition, the California Department of Conservation (DOC) is another potential source of funding for these types of projects through the [Multibenefit Land Repurposing Program](#).⁷

Central Coast Water Board staff recommends that the commenter also share this comment directly with DOC and DWR.

Changes Recommended: None

Comment 2 – 4:

“Include Voluntary Watershed Restoration Component of Ag Order 4.0 as Priority for Category 3 Funding”

- “The approved third-party administrator for the surface water Cooperative Monitoring Program, Central Coast Water Quality Preservation, Inc., also includes functional partnerships with the Vineyard Team, Central Coast Wetlands Group, and Creek Lands Conservation. Providing an explicit incentive for enrolled Irrigated Lands Program growers through Third Party Cooperative participants can help boost the achievement of water quality improvements within the County of SLO.”

Response to Comment 2 – 4:

The Grants Program’s draft project ranking and selection criteria specifically states that eligible projects include, “On-farm Best Management Practice (BMP) implementation projects that demonstrate reductions in salt and nitrate loading, especially projects that assist limited resource farmers.” Therefore, the project concepts described in Comment 2-4 are eligible for the Grants Program, dependent on the proposed project’s scope of work. Additionally, projects that address environmental justice, underrepresented communities, climate change, and/or other priority criteria will likely be more competitive.

To be eligible for Grant Program funding, all projects associated with regulatory requirements must explain how activities included in the proposed scope of work go above and beyond regulatory requirements. Projects not eligible for funding include those where the applicant, project beneficiary, or the project itself is associated with an enforcement action.

Changes Recommended: None

⁷ <https://www.conservation.ca.gov/dlrp/grant-programs/Pages/Multibenefit-Land-Repurposing-Program.aspx>