

Recommended Guidance to Ensure Uniformity of Final Prioritization Submissions

The following guidance is being provided to regional water planning group (RWPG) stakeholders at the request of the Stakeholder Committee to assist RWPGs in achieving an acceptable degree of uniformity in the application of the uniform standards adopted by the stakeholder committee on November 28, 2018 and to be approved by TWDB at a future date. This guidance was developed based on: a generic interpretation of the language of the uniform standards; the limits of the information contained within the regional water plans; the time and resources available to the RWPGs; clarifications made to the uniform standards by the Stakeholder Committee on November 28, 2018; and with an acknowledgement of the flexible nature of the prioritization process moving forward. This guidance is strictly limited to recommending how the existing uniform standards should be applied within the confines of their existing scope as most recently adopted by the Stakeholder Committee. **This guidance does not attempt to address any overall concerns about the uniform standards themselves or matters not currently taken into consideration by the uniform standards.**

This guidance is subject to the Stakeholder Committee’s discretion. Coordinate with your Stakeholder Committee representative before applying these guidelines.

RECOMMENDED GUIDANCE FOR APPLYING THE UNIFORM STANDARDS

1. GENERAL - Grouping Projects for Scoring

Guidance: *(As indicated in previous guidance provided on October 9, 2013)*

Projects cannot be bundled if they are considered separate water management strategy projects (WMSPs) and are presented as such in the regional plans and will or can be implemented separately. For example, two groundwater well projects that would serve two different entities and are entirely separate physically shouldn’t be prioritized together. **The reason for this is that each project could be built independently and there would not be a single borrower to implement those two projects.** Moreover, with separate entities, the projects may receive different scoring under the criteria specified by House Bill (HB) 4 (83rd Leg. Session) due to entity-specific circumstances (e.g., decade of need, availability of water rights, cost-effectiveness, taking into consideration the expected unit cost). In instances when it is appropriate to bundle projects for scoring, please leave all the associated project line items in place (with their shared prioritization scores) and clearly note in the final submission where this occurred and which projects were related to each other.

2. GENERAL – Tie-breakers

Background: There are likely to be some ties in scoring projects at the regional level.

Guidance: In order to ensure uniformity in applying the uniform standards across all 16 regions, RWPGs should not introduce new variability into the scoring of projects by developing regional tie-breaking criteria. Ties at the regional level may not remain after a state-level prioritization.

3. GENERAL – SWIFT funding category “flags”

Background: The Stakeholder Committee included flags in the Uniform Standards document to allow RWPGs to indicate potential funding categories.

Guidance: These labels will not affect funding opportunities or priorities of projects requesting funding from TWDB. TWDB will determine what categories of funding each

project will qualify for at the time that funding applications are submitted, regardless of these flags.

4. **Uniform Standard 1A** - *What is the decade the RWP shows the project comes online?*

Background: (The choices for response to standard 1A include only the planning decades 2020-2070.)

Guidance: All the regional water plans present water supply information in the common form of the 2020-2070 planning decades. The online date of a project is the earliest planning decade presented in the published regional water plan in which there is a water supply volume shown, regardless of the date of water needs of any participants. A project that has zero supply shown for the 2020 decade, for example, could not be considered online in 2020 since there is not a supply volume in the 2020 decade. (Note that the online date of a project cannot be changed from what is in the regional water plan without a formal regional water plan amendment.)

5. **Uniform Standard 1B** - *In what decade is initial funding needed?*

Background: There were questions about how to determine the score if there was no response to the Infrastructure Financing Survey or other information in the published plan regarding a date that initial funding will be needed. Several standards (including 1B, 2B and 2C) include a footnote indicated by a double asterisk that states: “** indicates that additional data may have to be collected by RWPG in order to score projects.”

Guidance: The footnote (**) suggests that not all the uniform standard scores would be based on water plan information obtained at a single, common point in time (e.g., from 2021). Data sources for this score should be limited as much as possible to the published plan and Infrastructure Financing Survey responses (survey data and forms provided by TWDB). In the absence of information directly related to the 2021 regional water plans, the RWPG should seek other published information and, in the absence of published information, the RWPG should apply a reasonable and consistent assumption for all project types. In any case, the decade that funding is needed should never be indicated later than the decade the project comes online in the plan.

6. **Uniform Standards (2A-C):**

2A - *What supporting data is available to show that the quantity of water needed is available?*

2B - *If necessary, does the sponsor hold necessary legal rights, water rights and/or contracts to use the water that this project would require?*

2C - *What level of engineering and/or planning has been accomplished for this project? (Points based on progress on scientific data collection, stage of studies and design)*

Background: There were questions about whether the scoring had to be based on conditions at the time of the plan (adoption) or current conditions. Several uniform standards (including 2B and 2C) include a footnote indicated by a double asterisk that states: “** indicates that additional data may have to be collected by RWPG in order to score projects.”

Guidance: The addition of a new project through an amendment, for example, will likely require scoring the additional project based on currently available information. Therefore, we recommend currently available information whenever possible. Because the regional project prioritizations are not considered part of the regional water plans, they may be updated by the RWPGs in the future (e.g., if the uniform standards are modified). The effort and frequency with which RWPGs acquire updated information and update their regional water plan prioritizations is for each RWPG to determine. Any such updates to regional

water plan prioritizations would be subject to RWPG approval. Uniform standard 2A specifically was clarified by the Stakeholder Committee on November 28, 2018 to include project specific studies as a measure for sufficient quantities of water in the score of five points awarded. This clarification was to address concern that surface water projects could only be modeled and were thus limited to a maximum score of three points.

7. **Uniform Standard 2D** - *Has the project sponsor requested that the project be included in the Regional Water Plan?*

Guidance: Clarification was provided that project sponsors providing written requests during any cycle of regional water plan would be scored as “yes”.

8. **Uniform Standards (3A and B):**

3A - *In the decade the project supply comes online, what is the % of the WUG's (or WUGs') needs satisfied by this project?*

3B - *In the final decade of the planning period, what is the % of the WUG's (or WUGs') needs satisfied by this project?*

Background: The basis for obtaining points in these standards is meeting a percentage of identified water needs in the plans.

Guidance:

- If the entities served by a strategy in the plan have no needs in a decade of interest, that strategy would not be meeting any water needs and should therefore score zero points.
- County-wide water user groups are considered a single water user group for the purpose of applying this standard.
- RWPGs will need to perform an additional assessment to estimate the volume of supply from recommended projects. This may include but is not limited to reviewing the water management strategy volumes related to the project (data provided by TWDB).

9. **Uniform Standard 3C** - *Is this project the only economically feasible source of new supply for the WUG, other than conservation?*

Guidance:

- Since this particular uniform standard developed by the stakeholder committee does not directly consider conservation for scoring under this criteria, conservation would always score zero points based on the language.
- For projects that are the only economically feasible strategy other than conservation *for at least one of the WUGs served by the project* (in the case of a project sponsored by a wholesale water supplier and that serves multiple WUGs) it should score five points.

10. **Uniform Standard 3D** - *Does the project serve multiple WUGs?*

Guidance:

- A wholesale water provider project will only score 5 points if the water plan data indicates that multiple water user groups rely on the project.
- County-wide water user groups are considered a single water user group for the purpose of applying this standard.
- Water user groups split by river basin and/or regional water planning area are considered a single water user for the purpose of applying this standard.

11. **Uniform Standard 4B** - *Does the volume of water supplied by the project change over the regional water planning period?*

Guidance: Standard applies only to the associated “regional water planning period” (i.e., 2020 to 2070)

12. **Uniform Standard 5A** - *What is the expected unit cost of water supplied by this project compared to the median unit cost of all other recommended strategies in the region's current RWP? (Project's Unit Cost divided by the median project's unit cost)*

Background: There were questions about a) whether strategies with zero unit costs should be included in the calculation, and b) which decade should be used as the basis for the calculation when determining the cost of the project relative to the median unit cost of all the recommended strategies.

Guidance:

- TWDB’s Regional Water Planning rules have been revised since the development of the Uniform Standards such that projects are required to have a non-zero capital cost. Therefore, there should not be any projects with zero unit costs.
- The unit cost should be calculated using the first decade online unit cost of the project of interest relative to the median of the first decade online unit costs of all recommended strategies.

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