



P.O. Box 13231, 1700 N. Congress Ave.
Austin, TX 78711-3231, www.twdb.texas.gov
Phone (512) 463-7847, Fax (512) 475-2053

AGENDA ITEM MEMO

BOARD MEETING DATE: July 23, 2026

TO: Board Members

THROUGH: Bryan McMath, Executive Administrator
Ashley Harden, General Counsel
Matt Nelson, Deputy Executive Administrator, Office of Planning

FROM: Temple McKinnon, Director, Water Supply Planning

SUBJECT: Adoption of the 2027 State Water Plan

ACTION REQUESTED

Consider adoption of the 2027 State Water Plan (Phase I).

BACKGROUND

Every five years, the Texas Water Development Board (TWDB) is required by Texas Water Code §16.051(a) to adopt a comprehensive state water plan that incorporates the approved regional water plans. The state water plan is to

- provide for orderly development, management, and conservation of water resources,
- prepare for and respond to drought conditions, and
- make sufficient water available at a reasonable cost to ensure public health, safety, and welfare and further economic development while protecting the agricultural and natural resources of the entire state.

In addition to incorporating the approved regional water plans, the state water plan, as formally adopted by the Board, serves as: a guide to state water policy; includes legislative recommendations that the Board believes are needed and desired to facilitate more voluntary water transfers; and, identifies river and stream segments of unique ecological value and sites of unique value for the construction of reservoirs that the Board recommends for protection.

At the end of each five-year regional water planning cycle, the Executive Administrator compiles information from the Board-approved Regional Water Plans and other sources to develop the state water plan, which is published for public comment and, after consideration of public comments, adopted by the Board. The 2027 State Water Plan must be adopted no later than January 5, 2027, and will be the sixth state water plan developed through the regional water planning process as mandated by Senate Bill 1 in 1997 and Texas' twelfth

Our Mission : Board Members

Leading the state's efforts
in ensuring a secure
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L'Oreal Stepney, P.E., Chairwoman | W. Brady Franks, Board Member | Ashley Morgan, Board Member
Bryan McMath, Executive Administrator

state water plan developed since 1957.

Once adopted, the state water plan is submitted to the Governor, Lieutenant Governor, Speaker of the Texas House of Representatives, and the appropriate legislative committees. This initial Phase I document, paired with the online interactive 2027 State Water Plan, provides a streamlined set of core elements required by statute and administrative rule to support timely making 2026 SWIFT program commitments for projects recommended in the 2026 regional water plans.

A subsequent first amendment to the 2027 State Water Plan (Phase II) is anticipated by the statutory deadline to enrich the full plan with more expansive and informative content. The Phase II amendment will also include its own formal public comment period.

KEY ISSUES

The Board authorized publishing the Draft 2027 State Water Plan document for public comment at its April 16, 2026 meeting. The public comment period extended from April 16 to May 29, 2026. Notice of the public comment period, public hearing, and the Board's intent to adopt the 2027 State Water Plan was published in the *Texas Register* on April 24, 2026. The TWDB held a public hearing on May 27, 2026, through Microsoft Teams and at the Stephen F. Austin Building in Austin to receive comments on the Draft 2027 State Water Plan. A total of 40 people attended the public hearing, with 11 organizations and 15 individuals providing oral comments. The TWDB received comments from a total of 525 commentors who provided TWDB with over 1,000 separate comments on the plan content during the comment period.

On April 16, 2026, the interactive version of the state water plan was made available to the public. The 2027 State Water Plan document, together with online interactive 2027 State Water Plan website, meets all requirements under TWC §§16.051, 16.053, 16.054, and 16.055 and 31 Texas Administrative Code (TAC) §358.4.

The TWDB expresses appreciation to all the stakeholders who participated in and provided input to, the development of the 16 regional water plans and this state water plan. The TWDB appreciates the effort of stakeholders to review the draft plan and all the comments that were submitted. TWDB has reviewed all the comments received. Many of the public comments addressed more than one issue and some comments raised issues that are beyond TWDB's authority to address, such as those regarding regulatory matters.

Notably, across nearly all legislative recommendations and plan sections, commenters frequently raised concerns regarding emerging large industrial water demands—particularly data centers—along with related issues of cost allocation and associated financial burden for water supply infrastructure, rural impacts, and groundwater protection.

In addition to comments directly responsive to specific draft plan content, other comments received were, for purposes of summarizing, grouped into the following general categories:

- Data center/large industrial water use
- Water management strategies and projects
- Groundwater

- Rural issues and private property/water rights
- Conservation
- Water rights and legal issues
- Water Demands
- Environmental issues

Where changes to the plan were deemed by the Executive Administrator to be warranted based on comments received, recommended revisions and additions have been prepared, including verbatim language where appropriate. Not all comments received were directly relevant to the item being addressed; however, all comments were considered in developing the final version of the plan. Estimated comment counts in the attachment are based on the number of comments submitted, not the number of commenters.

Notably, some of the comments received touched on issues or information that will be addressed in the more comprehensive 2027 State Water Plan Phase II amendment anticipated to be adopted later this year.

For some of the plan content and recommendations, it was apparent that commentors did not have sufficient context and in some of those cases the Executive Administrator recommends adding relevant context to the plan to assist readers. Additionally, minor editorial corrections, including numerical corrections, have been made to the draft document. A summary of the comments received and TWDB responses are included as an Attachment to this Board item.

The plan, as adopted today, will be posted online only and delivered electronically to the Governor, Lieutenant Governor, Speaker of the House of Representatives, and the appropriate legislative committees.

RECOMMENDATION

The Executive Administrator recommends adoption of the 2027 State Water Plan, including the changes described herein and with the incorporation of the online 2027 interactive 2027 State Water Plan website.

Attachment:

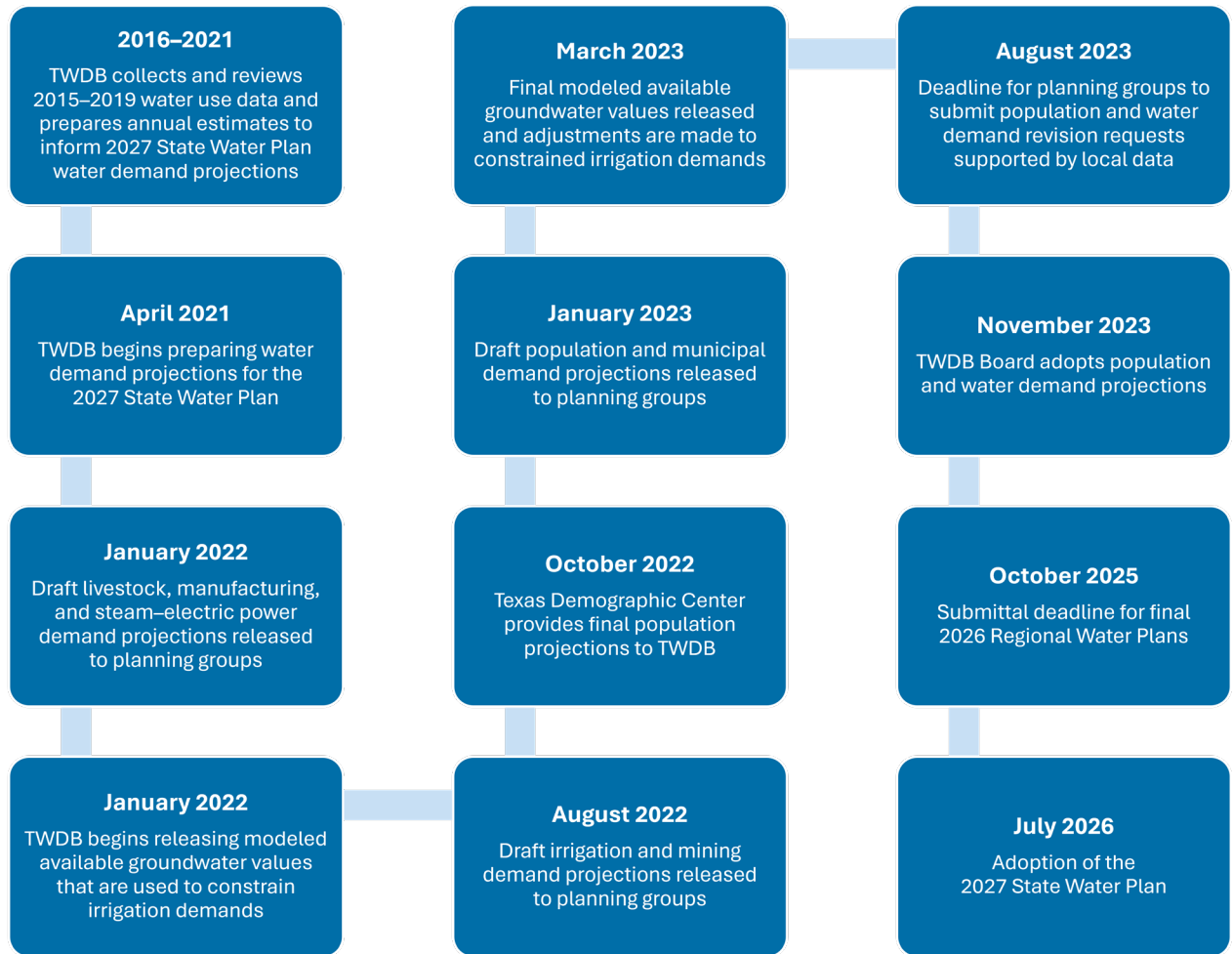
Summary of comments received on the Draft 2027 State Water Plan and TWDB responses to the comments

Summary of comments and substantive changes made to the Draft 2027 State Water Plan in response to public comments

The TWDB appreciates all of the comments received during the public comment period. Many comments raised important issues that will be addressed through the 2027 State Water Plan Phase II amendment. That amendment will contain greatly expanded data summaries and analyses along with additional written content. This summary reflects the primary themes raised but does not fully capture the level of repetition, detail, or the strength and intensity of the sentiment and concern expressed across individual submissions.

Key limitations and context for interpreting this summary:

- The 2027 State Water Plan is a planning-level document, developed within statutory parameters, that incorporates 16 approved regional water plans and does not add, remove, or otherwise modify the projects identified by those regions.
- Water demand projections and analyses upon which the plan is based reflect available data and assumptions at the time of development and are inherently subject to uncertainty.
- The regional water plans are developed through a public, transparent regional process with strategy and project evaluations and recommendations occurring at later stages of each 5-year planning cycle.
- Public input informs the state water plan; however, many suggested changes are not within the agency's statutory authority. The TWDB has no regulatory authority, including related to data center development or groundwater use.
- Some emerging or rapidly evolving water uses could not yet be fully represented within the regional plans that were developed over a 5-year period with a requirement to be provided in draft form for public comment in March 2025 as illustrated in the figure below:



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Key Points and Quick Facts

Comment: Approximately 28 comments were received related to water demands. Responsive comments reflected a range of themes/issues/concerns, including, but not limited to significant concerns about large industrial water demands and the methodologies of planning the water use for such facilities.

Approximately 268 comments were received related to data center and crypto-mining facility water use. Responsive comments reflected a range of themes/issues/concerns, including, but not limited to:

- significant concerns that the state water plan does not plan for data center water use and future demand;
- requests/suggestions for how the TWDB should project future water demand related to data centers;
- significant concerns about private well impacts from data center water use and future demand; and
- requests that the TWDB regulate the development of data centers in the state.

Response: The TWDB administers Texas' regional and state water planning processes. It has no regulatory authority regarding any water use. That said, the TWDB approach to estimating and forecasting large-load digital infrastructure water use starts with the TWDB collecting water use data for all sectors (e.g., municipal, manufacturing) in Texas through its long-standing Water Use Survey. These annual surveys already capture reported direct water use by data centers, AI facilities, and cryptocurrency operations either within the municipal category or as self-supplied facilities within the manufacturing sector. This information is used to report statewide water use and to inform the state water planning process.

Data centers, AI facilities, and cryptocurrency facilities use water directly onsite, including for cooling, and indirectly rely on water use tied to electricity generation. The water use rate varies depending on technology, operations, and energy sources. Indirect water use is associated with electricity consumption, which is generally captured within the power generation water use category. For the development of the 2026 Regional Water Plans and 2027 State Water Plan, there was limited data available regarding this category of water use with which to inform our future water demand projections.

The TWDB is enhancing its data collection and analysis efforts to improve our projections of high-load digital infrastructure water demands for future state water planning cycles. As our understanding of this sector grows, this water use category will report and fall more comprehensively within our manufacturing water use projections largely because of direct-use reporting. Long-term forecasting for these types of facilities remains difficult due to rapidly evolving technologies, diverse energy sources, increasing onsite generation, and the proprietary nature of facility siting.

The state's water planning framework is grounded in adaptive 5-year regional planning cycles. Regional water supply plans may also be amended - at any time - as new information becomes available, for example, to better reflect local development of data centers. Note that none of the 16 regional planning groups requested any data center-related adjustments to their water demand projections during the 2022-2026 regional planning cycle.

After consideration of the comment received, the TWDB is adding a new item d. to the Key Points and Quick Facts, as follows:

“Key Points and Quick Facts

...

- d. Heightened interest in potential water use associated with **data centers** arose later in this five-year planning cycle. In response, **the TWDB is enhancing its data collection and analysis efforts to improve our projections of high load digital infrastructure water demands** for future state water planning cycles. As this sector and our understanding of it grows, this water use category will report and fall more comprehensively within our manufacturing water use projections largely because of direct use reporting by the facilities themselves rather than a utility from which they may purchase water.”

Comment: One individual commented that item ‘h’ in key points and quick facts should be separate points.

Response: After consideration of the comment received, the TWDB is revising the plan where applicable.

Comment: A number of comments were received about activities that the TWDB should engage in regarding regulating various aspects of utility, local, or other state agency authority. Responsive comments reflected a range of themes/issues/concerns, including, but not limited to:

- concerns about limiting/regulating data center development and water use;
- concerns about groundwater management decisions; and,
- concerns about financial assistance towards, and development of specific water supply projects.

Response: The TWDB has no regulatory authority, related to the issuance of permits or groundwater management decisions. The TWDB does not allocate or regulate water resources or supplies, nor is it involved in utility water supply contract decisions with their customers. The TWDB does not provide wholesale or retail water service, nor does it operate water supply infrastructure. The Board provides financial assistance for infrastructure development, collects water-related data, and administers the state’s water supply planning process.

After consideration of the comments received, the TWDB is updating the Key Points and Quick Facts Section and the third paragraph of the Introduction Section with the underlined language below to clarify the Board’s authority, as follows:

“Key Points and Quick Facts

...

c. The TWDB has no regulatory authority, related to the issuance of permits or groundwater management decisions or enforcement of drought contingency plans. The TWDB does not allocate or regulate water resources or supplies, nor is it involved in utility water supply contract decisions with their customers. The TWDB does not provide wholesale or retail water service, nor does it operate water supply infrastructure. The Board provides financial

assistance for infrastructure development, collects water-related data, and administers the state's water supply planning process. ..."

TWDB-initiated plan change: The TWDB is updating the Key Points and Quick Facts with the underlined language below to report closed funding amounts tied to the 2022 State Water Plan and exclude multi-year commitments, as follows:

"Key Points and Quick Facts

...

r. Through SWIFT and other financial assistance programs, the TWDB has delivered to project sponsors more than \$5.8 billion toward the implementation of 68 projects that are recommended in the 2022 State Water Plan. These projects represent approximately 1.6 million acre-feet of water supplied, conserved, or maintained. These supplies are planned supply volumes. Supplies may change for various reasons once a project is complete."

Section 1. Introduction

Comment: The National Wildlife Federation, the Texas Living Water Coalition, and one individual commented that it was unclear how water loss mitigation projects are distinct from "replacement, rehabilitation, maintenance, or other similar costs or projects".

Response: After consideration of the comments received, the TWDB is adding the following footnote to the relevant statement in the Key Facts section and the third paragraph of Section 1 to provide clarification, as follows:

" The regional and state water plans are expected to exclude replacement^[1], rehabilitation, maintenance, or other similar costs or projects.

[1] With the exception of water loss mitigation projects that include replacement of portions of an existing leaking water transmission or distribution network and result in an immediate, quantifiable increase in water supply."

Response: Comments received regarding activities that the TWDB should engage in regarding regulating various aspects of utility, local, or other state agency authority and summarized in the Key Points and Quick Facts section resulted in updates to the third paragraph of Section 1, as follows:

"Introduction

...

The purpose of this planning process is not to identify and replace aged or neglected infrastructure but rather to increase and expand volumes of additional water supplies beyond the existing capacity of current facilities to ensure public health, safety, and welfare in times of severe drought. The process is based on a fundamental expectation that water providers will properly maintain the capacity and function of their existing infrastructure to ensure the design capacity continues to provide existing supplies. The regional and state water plans are expected to exclude replacement, rehabilitation, maintenance, or other similar costs or projects.

Additionally, the TWDB has no regulatory authority, related to issuance of permits or groundwater management decisions. The TWDB does not allocate or regulate water resources or supplies, nor is it involved in utility water supply contract decisions with their customers. The TWDB does not provide wholesale or retail water service, nor does it operate water supply infrastructure. The Board provides financial assistance for infrastructure development, collects water-related data, and administers the state's water supply planning process."

Comments received regarding data center water use and summarized in the Key Points and Quick Facts section resulted in updates to the seventh paragraph of Section 1, as follows:

"Introduction

...

Section 2 in this plan presents information on local, regional, and state drought planning and response. Section 3 summarizes the methods used to develop the regional water plans, including the projections methodologies for manufacturing and electric power generation water demands tied to projected data center water use....."

Section 2. Drought planning and response

Comment: The National Wildlife Federation, the Texas Living Water Coalition, the Sierra Club Lone Star Chapter, and one individual commented that it was unclear if drought response strategies that were identified as unnecessary or counterproductive prevented them from being recommended.

Response: After consideration of the comments received, the TWDB is updating language in the Section 2.2 subsection on current regional drought preparation and response as underlined below to clarify that regional reviews of drought response efforts to identify those that may be unnecessary or counterproductive are separate from recommended strategies. The text is revised, as follows:

"Five planning groups (Regions B, C, G, I, and M) identified unnecessary or counterproductive drought response efforts ~~strategies~~ that may confuse the public or impede drought response efforts in their regional water plans."

Section 3. Methods

Comment: One individual commented that the reference to a "change in methodology" for population projections in Section 3.1 is unclear and should be clarified, as it does not explain what the previous methodology was.

Response: After consideration of the comment received, the TWDB is updating Section 3.1 with the underlined language below to clarify the change in methodology, as follows:

"For the 2026 regional water plans, the draft county population projections follow the trends projected by the Texas Demographic Center, including declining future population for many counties. In previous plans, declining county populations were instead held constant. This

change in methodology was implemented to better estimate future municipal water demands and needs (potential shortages), improve the credibility of the state water plan, better inform evaluations of potential funding applications, and better understand financial risks associated with water supply projects funded through TWDB financial assistance programs.”

Response: Comments received regarding water demand projections methodology and data center water use and summarized in the Key Points and Quick Facts section resulted in updates to Section 3.1 as follows:

“Manufacturing water demand

Manufacturing water demand consists of the water necessary for large production facilities, including those that process chemicals, oil and gas, food, paper, and other materials. The manufacturing water demand projections for each county were anchored on baseline estimates of the highest region-county manufacturing water use in the most recent five years of Water Use Survey data (2015–2019), plus estimated unaccounted-for water use. Volumes of fresh water (surface water and groundwater), reuse water (such as treated effluent), and brackish groundwater used by manufacturing facilities were included in the historical estimates and water demand projections. Saline surface water was not included. The full intake was included in the baseline (minus sales), not consumptive use.

For data centers, AI facilities, and cryptocurrency facilities specifically, the TWDB approach to estimating and forecasting high-load digital infrastructure water use starts with the TWDB collecting water use data for all sectors (e.g., municipal, manufacturing) in Texas through its long-standing Water Use Survey. These annual surveys already capture reported direct water use by data centers, AI facilities, and cryptocurrency operations either within the municipal category (as commercial use in public water systems) or as self-supplied facilities within the manufacturing sector.

Water in these facilities is used directly onsite, including for cooling, and they indirectly rely on water use tied to electricity generation. The water use rate varies widely depending on technology, operations, and energy sources. Indirect water use is associated with electricity consumption, which is generally captured within the power generation water use category. For the development of the 2026 Regional Water Plans and 2027 State Water Plan, there was limited data available regarding this category of water use with which to inform our future water demand projections, however none of the 16 planning groups requested any data center-related adjustments to their water demand projections this planning cycle. The TWDB is enhancing its data collection and analysis efforts to improve our projections of high load digital infrastructure water demands for future state water planning cycles. As this sector grows, this water use category will report and fall more comprehensively within our manufacturing water use projections largely because of direct use reporting. Additionally, The TWDB has no regulatory authority regarding any water use.”

and

“Steam-electric power water demand

Steam-electric power water demand consists of water used for the purpose of generating utility-scale power. A generation facility typically diverts surface water, uses it for cooling purposes, and then returns a large portion to a body of water. Renewable energy facilities,

landfill gas, and battery power plants were not included in the water demand projections because they do not use significant volumes of water in producing energy.

Water demand projections for 2030 were based on the highest county-aggregated historical steam-electric power water use in the most recent five years of survey data (2015–2019). Volumes of fresh water (surface water and groundwater), reuse (such as treated effluent), and brackish groundwater were included in the historical estimates and demand projections. Furthermore, the demand projections were based on consumptive use, not the entire withdrawal. The anticipated water use for future power generation facilities listed in state and federal reports was added to the demand projections from the anticipated operation date through 2080. Subsequent demand projections, after proposed facilities were included, were held constant throughout the planning period to reflect increasing trends in using renewable energy and more water-efficient technology.

The TWDB is enhancing its data collection and analysis efforts to improve our projections of high-load digital infrastructure water demands for future state water planning cycles. As this sector grows, this water use category will report and fall more comprehensively within our manufacturing water use projections largely because of direct use reporting. Long term forecasting for these types of facilities remains difficult due to rapidly evolving technologies, diverse energy sources, increasing onsite generation, and the proprietary nature of facility siting.”

Comment: One individual commented that the plan should document the methodology for how water management strategies and projects are evaluated and ranked.

Comment: Trinity River Authority recommended that the plan include additional context on project eligibility, cost estimation methods, and contingency assumptions, along with a comparative analysis of cost estimates across recent planning cycles.

Comment: Approximately 98 comments were received related to specific strategy types or specific projects recommended in the plan.

Responsive comments reflected a range of themes/issues/concerns, including, but not limited to:

- concerns about the impacts and recommendations of specific projects by specific planning groups, and
- suggestions that the TWDB add, remove, or prioritize projects in the state water plan, apart from what planning groups recommended in their regional plans.

Response: The recommendation of water management strategies and water management strategy projects are made by regional water planning groups, which are required to consider a variety of types of water management strategies and evaluate each potentially feasible strategy under specific criteria including cost, quantity, reliability, and impacts on environmental, agricultural, and other water resources, pursuant to 31 TAC § 357.34. The planning groups are given significant flexibility to consider and address water supply risks for long-term planning in their regions and the TWDB does not have clear statutory authority to add to or remove the strategies recommended by the planning groups.

After consideration of the comments received, the TWDB is adding a new Section 3.3 to document the process for identifying, evaluating, and recommending water management strategies and projects, as follows:

"3.3 Selecting water management strategies and projects

Each planning group identifies and evaluates feasible water management strategies for potential inclusion in its recommended set of strategies. In doing so, planning groups are required to consider key factors, including: (1) the quantity of water supply provided; (2) the reliability of that supply under drought-of-record conditions; (3) the cost of the supply, including financing and mitigation costs; and (4) impacts on water quality and on water, agricultural, and natural resources.

Evaluations of feasible strategies are conducted under drought-of-record conditions and must honor all existing water rights—the same benchmark conditions used to evaluate projected water demands and existing supplies. Planning groups must also evaluate conservation and drought management measures for all water user groups with identified needs.

The strategies ultimately recommended vary based on the magnitude and nature of identified needs, geographic location, available water resources, associated impacts, and implementation costs. Some strategies can be implemented with limited or no capital investment, while others require significant infrastructure, such as pipelines, wells, pump stations, diversion facilities, or water treatment plants.

Cost estimates presented in the state water plan are planning-level estimates developed using a standardized methodology, including the Texas Water Development Board Uniform Costing Model, to ensure consistent treatment of key cost components across regions and project types. These estimates are intended to provide a comparable, statewide basis for evaluating strategies and are not equivalent to project-specific engineering estimates.

Actual project costs may vary—potentially significantly—based on factors such as project design, site-specific conditions (e.g., geotechnical, environmental, and right-of-way constraints), permitting requirements, market conditions (including labor and materials), procurement approach, and timing of implementation. Accordingly, these estimates should be interpreted as order-of-magnitude planning values rather than precise cost forecasts.

Planning groups estimate capital costs and associated unit costs using common cost elements and methodologies. This is the third planning cycle in which groups have used a standardized cost estimation tool (Version 3.01) developed under a TWDB contract, which has improved consistency and comparability across projects. The tool is updated each cycle to reflect current cost conditions, and planning groups may incorporate more detailed, project-specific estimates where available, adjusted to a common dollar year. The Uniform Costing Model does not apply a discrete contingency percentage; instead, contingency is embedded within broader cost factors."

Following evaluation, each planning group recommends a set of water management strategies and associated projects and documents its selection process in its regional water plan."

Comment: One individual commented that the plan should include additional information on plan uncertainty and limitations.

Response: After consideration of the comment received, the TWDB is adding a new Section 3.6 to address uncertainty, as follows:

"3.6 Uncertainty

Planning factors, such as population, water demand, supply, needs, and water management strategies, all involve uncertainty that can be difficult to quantify, and some uncertainties remain inherently unknowable or unmodeled in the regional planning process. To address the most critical risk, plans are developed around conditions expected during a repeat of the drought of record, assuming high demand and limited supply and identifying strategies to manage resulting shortages.

Because regional water plans are updated every five years, they can incorporate new data and improve their accuracy over time, particularly for near-term time horizons. Beyond this foundation, planning groups use additional measures to address uncertainty and mitigate the risk of future water shortages, including conservative assumptions, diversified portfolios and alternatives, emergency interconnects, holding drought management strategies in reserve, adaptive planning, and aligning implementation with actual demand growth."

Section 4. Results

Response: After consideration of the comments received, the TWDB makes no changes to Section 4.

Section 5. Progress in meeting future needs

Comment: One individual commented that low implementation rates for planned projects, along with identified impediments, reflect significant systemic challenges that are understated in the plan. The commenter recommended that the TWDB should report, on a project-by-project basis, which communities are falling behind and why, to improve transparency and accountability.

Response: After consideration of the comment received, the TWDB is updating the final paragraph in Section 5.1 with the underlined language as follows:

"Strategies reported as fully implemented represent just over 1 percent of the total number of recommended water management strategies without an associated project in the 2022 State Water Plan. The water supplies associated with these fully implemented strategies now appear as existing supply on the supply side of the planning equation in this current water plan. Strategies reported as only partially implemented represent about 45 percent of the total number of strategies that don't require capital investments in the 2022 State Water Plan. Overall, the survey results point to a growing backlog of projects that need to be implemented ahead of the onset of the next drought. The lack of implementation of strategies by sponsors leaves the associated communities vulnerable to drought."

TWDB-initiated plan change: The TWDB is updating Section 5.3 with the underlined language below to report closed funding amounts tied to the 2022 State Water Plan and exclude multi-year commitments, as well as the associated project volumes, as follows:

“Section 5.3 Funding of the 2022 State Water Plan

Since adopting the 2022 State Water Plan, the TWDB has delivered to project sponsors more than \$5.8 billion toward the implementation of 68 state water plan projects recommended in the 2022 State Water Plan (Table B-10). These projects represent approximately 1.6 million[1] acre-feet of water supplied, conserved, or maintained.

[1]Note: The above supplies are planned supply volumes. Supplies may change for various reasons once a project is complete.”

Section 6. Recommendations

Legislative Recommendation 1. Unique stream segment designation

Approximately 44 comments were received. Of these, approximately 24 comments support the recommendation, and 1 comment opposes it.

Responsive comments were mixed and reflected a range of themes/issues/concerns, including, but not limited to:

- support for the designation of unique stream segments in regions beyond those included in the draft state water plan recommendation (Regions D and E);
- perception that the designation of unique stream segments would provide protection beyond the sole meaning of the designation provided in Texas Water Code § 16.051(f);
- suggestions to add additional provisions to the unique stream segment recommendations, including for example, but not limited to protection from impacts of industrial water users, protection from groundwater pumping impacts, promotion of direct potable reuse technologies, prohibition of downstream diversions, and protection of property rights; and
- perception that the unique stream segment recommendations were developed and included without sufficient analysis.

Response: The unique stream segments recommended for designation included in this plan, as put forth by Regions D and E in their adopted 2026 Regional Water Plans, met all requirements regarding inclusion of these recommendations in accordance with 31 Texas Administrative Code (TAC) § 357.43(b). This includes documented coordination with the Texas Parks and Wildlife Department regarding the criteria for designation outlined in 31 TAC § 358.2(6) and a regional water planning group assessment of the impact of the regional water plan on the recommended segments. While statute requires that the state water plan identify river and stream segments of unique ecological value that the Board recommends for protection, the TWDB generally confines these recommendations in the state water plan to those segments that are recommended by regional water planning groups in accordance with statute.

Per Texas Water Code § 16.051(f), “This designation solely means that a state agency or political subdivision of the state may not finance the actual construction of a reservoir in a specific river or stream segment designated by the legislature...”

Actual designation of any segments would be accomplished through action by the Texas Legislature.

After consideration of the comments received, no changes were made to the recommendation.

Legislative Recommendation 2. Unique reservoir sites

Approximately 35 comments were received. Of these, approximately 13 comments support the recommendation, no comments appear to oppose it.

Responsive comments were mixed and reflected a range of themes/issues/concerns, including, but not limited to:

- significant concerns about protecting rural interests and property rights;
- support for the proposed reservoir sites to receive additional protections related to water quality and industrial (data center) development;
- suggestions/requests that industrial users (data centers) contribute to the cost of reservoir-related infrastructure and that municipal users be prioritized over data centers when utilizing water supply from designated reservoir sites;
- suggestions/requests for the state to prioritize watershed health, conservation, and innovative technologies such as reuse, brackish groundwater desalination, and aquifer storage and recovery; and
- suggestion/requests to reevaluate the viability of previously designated sites.

Response: After consideration of the comments received, no changes were made to the recommendation.

Legislative Recommendation 3. Remove Interregional Planning Council requirements

Approximately 42 comments were received. Of these, approximately 14 comments support the recommendation, and approximately 16 comments oppose it.

Responsive comments were mixed and reflected a range of themes/issues/concerns, including, but not limited to:

- general misunderstanding of the charges, responsibilities and activities of the Interregional Planning Council;
- general support for interregional coordination and concerns such coordination may be eroded, and interregional conflicts may arise if the council disbanded;
- concerns about protecting rural interests and property rights;
- concerns about protecting municipal water supplies from large industrial (data center) uses; and
- support for more localized strategies (direct reuse, rainwater capture) that don't involve interregional conveyances.

Response: It appears that some commentors may be unaware of the current requirements in Texas Water Code § 16.052(c) regarding the charges of the Interregional Planning Council. The Interregional Planning Council was established by the legislature to “1) improve coordination among the RWPGs, and between the RWPGs and the TWDB in meeting goals of the state water planning process; 2) facilitate dialogue regarding regional water management strategies; and 3) share operational best practices of the regional water planning process.” The council does not have any responsibilities associated with declaring, identifying, or resolving interregional conflicts. More about the council and their activities can be found on the TWDB website:

<https://www.twdb.texas.gov/waterplanning/rwp/ipc/index.asp>

It also appears that some commentors may also be unaware of the current requirements in regional water planning administrative rules (31 TAC §§ 357.12 and 357.50) regarding interregional coordination by planning groups during the development of their regional water plans and documentation of those efforts. The inaugural council developed several recommendations for the TWDB to improve interregional coordination among the regional water planning groups. Those recommendations were added to regional water planning administrative rules in April 2022 and the requirements were applicable to the planning process that produced the 2026 Regional Water Plans and 2027 State Water Plan.

After consideration of the comments received, the TWDB is updating the "Summary of the recommendation" paragraph for Legislative Recommendation 3 on page 39 with the underlined language below to provide clarification and additional context to readers that the recommendation does *not* remove the requirements for planning groups to conduct and document interregional coordination, as follows:

“Since its creation by the 86th Legislature, two councils have been appointed and disbanded upon adoption of the state water plans. Recommendations from the councils to the TWDB, including those regarding interregional coordination, have been implemented in regional water planning administrative rules (31 TAC §§ 357.12 and 357.50) regarding interregional coordination by planning groups during the development of their regional water plans and documentation of those efforts. and council Council recommendations to the legislature remain primarily related to funding/appropriations and it is noted that the Interregional Planning Council does not have any statutory responsibilities associated with declaring, identifying, or resolving interregional conflicts.

The newer legislative mandates from the New Water Supply Fund for Texas and Water Supply Conveyance Coordination responsibilities make the council’s role in facilitating dialogue on regional strategies largely duplicative of the latest legislative implementation efforts made by the TWDB. The TWDB will continue to convene, roughly quarterly, regional water planning group chair meetings to discuss regional water planning processes and issues. However, the ongoing benefits of the Interregional Planning Council have diminished significantly, especially when weighed against the effort required to maintain this administrative body.”

Legislative Recommendation 4. Improve resources and clarity to assist groundwater conservation districts in establishing desired future conditions policies (three parts)

Approximately 62 comments were received. Of these, approximately 46 comments support the recommendation, and approximately 3 comments oppose it.

Responsive comments were broadly supportive and reflected a range of themes/issues/concerns, including, but not limited to:

- support for providing groundwater conservation districts (GCDs) with additional technical and financial assistance during the joint planning process while preserving GCD authority for local management decisions. Specific suggestions were provided by commentors on what the TWDB should consider in predictive modeling scenarios;
- support for maintaining/improving consistency in consideration of desired future conditions and transparency during desired future condition development by groundwater management areas for stakeholder engagement;
- support for improved groundwater data collection, monitoring, and improved modeling tools supported by field-collected and quality-controlled data;
- general suggestions regarding how groundwater should be managed with increased demands and the perceived need for stronger groundwater protections and legal authority for GCDs, including concerns about safeguarding private wells, agriculture, and rural communities; and
- differing views regarding total estimated recoverable storage (TERS), with the majority of comments generally indicating support for removal and indicating that TERS contributes to unrealistic groundwater management expectations. Conversely, some expressed that TERS is useful context in management decisions and that GCDs understand how to utilize TERS in the joint planning process.

Response:

It appears that some commentors may misunderstand the scope of the recommendation. The modeling scenarios in this recommendation are proposed as a means of providing technical assistance to GCDs as baseline starting points to begin and inform desired future condition considerations. The scenarios are proposed for consideration by GCDs, not as a requirement to select one of the scenarios for the final desired future condition decisions. GCD's maintain ultimate decision-making authority in the joint planning process. Regarding TERS, the TWDB acknowledges and agrees that total aquifer storage is a groundwater budget component; the 'estimated recoverable' storage is the highly uncertain and misleading component.

After consideration of the comments received, no changes were made to the recommendation.

Legislative Recommendation 5: Require consideration of drought conditions in development of desired future conditions

Approximately 61 comments were received. Of these, approximately 51 comments support the recommendation, and no comments appear to oppose it.

Responsive comments were strongly supportive and reflected a range of themes/issues, including, but not limited to:

- specific suggestions/requests regarding what should be considered by groundwater management areas for drought impacts;
- specific suggestions/requests regarding how groundwater should be managed in drought conditions, including prioritization of uses and enactment of drought triggers; and
- consideration of other factors in establishment of desired future conditions, including climate change projections, One Water planning, data center water use, land development, and rural groundwater users.

Response: After consideration of the comments received, no changes were made to the recommendation.

Legislative Recommendation 6: Establish a single, statewide groundwater well-identification system

Approximately 63 comments were received. Of these, approximately 53 comments support the recommendation, and approximately 4 comments oppose it.

Responsive comments were broadly supportive and reflected a range of themes/issues/concerns, including, but not limited to:

- support for improving data, transparency, and coordination to better support groundwater planning and management;
- concerns related to protecting private landowner information and not increasing regulation over exempt wells on private property;
- suggestions/requests to use groundwater data to protect aquifers and existing users rather than as a means to enable increased pumping;
- suggestions regarding what specific well data should be collected and how the system should be implemented; and
- emphasis on using improved datasets to enhance transparency, enable better tracking of cumulative groundwater withdrawals, and support long-term planning and decision-making across regions.

Response: It appears that some commentors may misunderstand the scope of the recommendation. The proposed system is intended to integrate and link *data that is already being collected* across existing state and local entities, not expand regulatory authority of GCDs or impose new requirements on private well-owners. In addition, existing confidentiality protections for sensitive landowner information would continue to be protected, as it is in current statewide databases, upon request.

After consideration of the comments received, no changes were made to the recommendation.

Legislative Recommendation 7: Socioeconomic analysis tool to support joint groundwater planning

Approximately 57 comments were received. Of these, approximately 41 comments support the recommendation, and no comments appear to oppose it.

Responsive comments were broadly supportive and reflected a range of themes/issues/concerns, including, but not limited to:

- support for standardized tools to improve decision-making, but while maintaining flexibility for local relevance and allowing for a balanced evaluation of costs and benefits across regions;
- specific suggestions/requests regarding what factors should be modeled, including large industrial water use, place of use as well as place of production, rural area impacts, and costs of transitions from groundwater sources;
- distributional equity and the needs for disaggregated analyses (geographic, community-scale, and water use sector) rather than statewide average modeled results; and
- concern that socioeconomic impact analyses could overemphasize projected economic benefits for particular users/communities while underrepresenting impacts to others.

Response: After consideration of the comments received, no changes were made to the recommendation.

Legislative Recommendation 8: Redefine the role of the TWDB in interregional conflict identification and resolution

Approximately 66 comments were received. Of these, approximately 20 comments support the recommendation, and approximately 26 comments oppose it.

Responsive comments were mixed and reflected a range of themes/issues/concerns, including, but not limited to:

- concerns about a narrow definition of conflict limiting opportunity to challenge projects;
- concerns regarding rural versus urban impacts and rural interest representation in project decisions;
- specific suggestions/requests regarding other approaches to how conflicts should be identified and how considerations should be included in public documents regarding the conflict identification and resolution processes;
- concerns about large industrial (data center) demands increasing interregional water transfers and potential conflicts; and
- varying opinions regarding whether TWDB's role should be expanded, reduced, or changed in interregional conflict identification and resolution.

Response: After consideration of the comments received, the TWDB is updating the "Summary of the recommendation" paragraph for Legislative Recommendation 8 on page 44 with the underlined language below to provide clarification and additional context to readers regarding the limited authority of the TWDB as follows:

~~“The TWDB is not a regulatory agency and does not have staff, facilities, or other resources for handling contested matters. The interregional conflict process, however, is adversarial and requires the board to act as a tribunal in making a decision. As such, interregional conflict identifications and resolutions are a poor fit for the TWDB because it is outside the agency's normal areas of competence and expertise.~~

“The TWDB is a non-regulatory agency required to act as a tribunal during the interregional conflict process. The TWDB does not have staff, facilities, or other resources for handling contested matters. As such, interregional conflict identifications and resolutions are a poor fit for the TWDB because it is outside the agency's normal areas of competence and expertise. Limiting the role of the TWDB role to an overallocation-specific analysis is appropriate for the planning-level work conducted by this non-regulatory agency.”

Legislative Recommendation 9: Conduct alternative versions of socioeconomic analyses of water shortage impacts

Approximately 53 comments were received. Of these, approximately 29 comments supported the recommendation, and 1 comment opposed it.

Responsive comments were broadly supportive and reflected a range of themes/issues/concerns, including, but not limited to:

- the need for more dynamic and more comprehensive ranges of analyses, and regionally differentiated modeling of water shortage impacts to evaluate potential, cumulative economic impacts; and
- some concern about preserving local control and avoiding an overly centralized statewide analytical framework.

Response: After consideration of the comments received, no changes were made to the recommendation.

Legislative Recommendation 10: Remove requirement of infeasible strategy assessment amendments

Approximately 40 comments were received. Of these, approximately 13 comments support the recommendation, and approximately 6 comments oppose it.

Responsive comments were mixed and reflected a range of themes/issues/concerns, including, but not limited to:

- support for administrative efficiency;
- the need for continued documentation of identified infeasible strategies and maintaining transparency; and
- concern about removing the requirement to assess infeasibility in addition to the resulting amendments.

Response: It appears that some commentors may be unaware of the current requirements in regional water planning administrative rules (31 TAC § 357.12) regarding the presentation of results of the analysis of infeasible strategies and projects at a public regional water planning group meeting and the required documentation of results in publicly

available regional water planning technical memorandum documents. Should the legislature consider and act on this legislative recommendation, current requirements of presenting results of the infeasible strategy and project analysis and documentation in the technical memorandum are not intended to be revised or removed. Additionally, some stakeholders may be unaware that the infeasibility analysis is limited to the definition provided in Texas Water Code § 16.053(h)(10).

After consideration of the comments received, the TWDB is updating the "Summary of the recommendation" paragraph for Legislative Recommendation 10 on page 44 with the underlined language below. This update provides clarification and additional context to readers that the recommendation does *not* remove the requirement for planning groups to assess and identify infeasible strategies, and provides clarification regarding the definition of infeasibility used for these assessments, as follows:

"While the original requirement prompted productive discussions about project timing, in practice the resulting amendments have largely focused on shifting project online dates rather than removing projects. At the same time, the formal amendment process places a substantial administrative burden on regional water planning groups and the TWDB and consumes limited planning grant resources, which would be more effectively directed toward developing their next regional plans in which feasibility updates are already incorporated as part of the five-year adaptive planning cycle.

Removing the statutory requirement to amend regional water plans to remove identified infeasible strategies will reduce significant, unnecessary workload. The planning process will still preserve the requirement that planning groups review their previously adopted regional water plan and identify infeasible strategies or projects in accordance with the definition of infeasible strategies and projects provided for this purpose in Texas Water Code § 16.053(h)(10)."

Appendices

Response: After consideration of the comments received, the TWDB makes no changes to the appendices in response to comments.

TWDB-initiated plan change: The TWDB is updating Table B-10 to report closed funding amounts tied to the 2022 State Water Plan and exclude multi-year commitments, as follows:

Table B-10. 2022 State Water Plan projects funded by the TWDB, by project sponsor

Reference	Sponsor region	Project ^a	Project sponsor entity	Financial assistance features			Closed funding amount	Associated annual water supply (acre-feet per year) ^b
				SWIFT funding	Board participation	Other state and federal funding		
1	A	Develop Additional Water Supplies from the Ogallala Aquifer	Greenbelt MIWA			x	\$18,110,000	2,000
2	B	Odell-Winston Wellfield Pipeline	Vernon	x			\$12,000,000	120
3	C	20 MGD WTP Expansion – Ray Roberts Phase 1	Denton	x			\$21,370,000	22,418
4		2025 DWSRF Honey Grove Water System Improvements	Honey Grove			x	\$4,196,000	1,613
5		Bois d'Arc Lake & Leonard Water Treatment Plant	North Texas MWD	x			\$771,450,000	120,665
6		City of Bonham Water System Improvements	Bonham			x	\$24,274,100	1,492
7		City of Denison Water Distribution Improvements Project for Disadvantaged Areas	Denison			x	\$16,950,000	18
8		City of Springtown – Water System Improvements	Springtown			x	\$6,200,000	81
9		Conservation, Water Loss Control	White Settlement	x			\$675,000	30
10		Eagle Mountain Water Treatment Plant – 35 MGD Expansion	Fort Worth	x			\$125,000,000	39,497
11		GTUA – Collin-Grayson Municipal Alliance (CGMA) Bloomdale Pump Station Expansion	Greater Texoma UA	x			\$7,525,000	4,491
12		GTUA/City of Bells Water & Wastewater Improvements	Greater Texoma UA			x	\$7,200,000	7,259
13		GTUA/City of Dorchester Water System Improvements	Greater Texoma UA			x	\$4,625,000	200
14		GTUA/City of Gainesville Water Transmission Main Replacement Project	Greater Texoma UA	x			\$2,705,000	18
15		GTUA/White Shed WSC Water Well & System Improvements	Greater Texoma UA			x	\$3,520,000	605
16		Harpool RWTP Expansion, Phase 2	Upper Trinity Regional WD	x			\$80,000,000	33,600
17		Infrastructure to Treat and Deliver to Customers: Design of Lake June Pump Station Replacement	Dallas	x			\$7,500,000	14,600

Reference	Sponsor region	Project ^a	Project sponsor entity	Financial assistance features			Closed funding amount	Associated annual water supply (acre-feet per year) ^b
				SWIFT funding	Board participation	Other state and federal funding		
18	C	Infrastructure to Treat and Deliver to Customers: Water Main Replacement Program	Dallas	x			\$170,000,000	2,090
19		Integrated Pipeline (IPL) Connect Lake Palestine	Tarrant Regional WD	x			\$255,000,000	114,377
20		Lake Ralph Hall Reservoir	Upper Trinity Regional WD	x			\$614,345,000	60,399
21		Mabank Wastewater and Water Infrastructure	Mabank			x	\$28,790,000	0
22		North System Raw Water Pipelines	North Texas MWD	x			\$641,695,000	80,304
23		RTWS Northeast Transmission Pipelines & Loop	Upper Trinity Regional WD	x			\$58,460,000	33,479
24		South Transmission System Pipeline	Greater Texoma UA			x	\$43,200,000	12,797
25		Southwest Pipeline Phase 1	Dallas	x			\$73,300,000	19,900
26		Springtown Raw Water Station; Surface WTP Improvements	Springtown	x			\$1,390,000	81
27		Taylor Regional Water Treatment Plant Expansion	Upper Trinity Regional WD	x			\$115,620,000	16,800
28	D	New 15 MGD WTP	Greenville	x			\$90,500,000	8,077
29		Riverbend Regional Water System	Riverbend Water Resources District			x	\$258,700,000	80,209
30	F	Hickory Aquifer Wellfield Phase II	San Angelo			x	\$69,490,000	3,000
31	G	Brushy Creek Regional Utility Authority Water Treatment and Distribution Project	Brushy Creek Regional UA	x			\$275,255,000	42,410
32		Carrizo Aquifer Development	Bistone Municipal WSD	x			\$5,000,000	371
33		Granbury Emerging Contaminants Reduction Improvements	Granbury			x	\$57,800,000	5,601
34		Turkey Peak Reservoir	Palo Pinto Co MWD # 1	x			\$72,000,000	6,000
35	H	Allens Creek Reservoir	Brazos River Authority	x			\$50,000,000	0
36		BAWA East SWTP Expansion	Baytown Area WA	x			\$69,000,000	6,720

Reference	Sponsor region	Project ^a	Project sponsor entity	Financial assistance features			Closed funding amount	Associated annual water supply (acre-feet per year) ^b
				SWIFT funding	Board participation	Other state and federal funding		
37	H	Brazosport WSC Reservoir Project	Brazosport WSC	x			\$335,890,000	84,000
38		Central Harris County Regional Water Authority Transmission and Distribution Expansion	Central Harris Co Regional WA	x			\$5,000,000	5,470
39		City of Groveton Water Improvements	Groveton			x	\$4,261,250	323
40		City of Houston East Water Purification Plant Enhancement	Houston	x			\$350,000,000	403,251
41		CWA TRANSMISSION EXPANSION (WMS-4009)	Coastal Water Authority	x			\$75,000,000	134,506
42		NHCRWA Internal 2020 Distribution	North Harris Co Regional WA	x			\$362,960,000	143,360
43		Oakwilde & Woodland Oaks WWTPs	Sunbelt FWSD			x	\$10,440,000	806
44		The City of Cut and Shoot Water Well #6 and EST	Cut and Shoot			x	\$5,875,000	483
45	J	City of Bandera Water Supply Improvements	Bandera			x	\$2,755,800	39
46		Drill a new well and connect to distribution system	Del Rio	x			\$4,865,000	3,226
47		Water Treatment Plant Expansion	Del Rio	x			\$3,455,000	4,705
48	K	Conservation Strategy – Smart Meters (Advanced Meter Infrastructure)	Austin	x			\$70,000,000	6,105
49		Direct Reuse Strategy	Austin	x			\$10,000,000	70
50		Marble Falls – Purple Pipe System Extension	Marble Falls			x	\$4,300,859	13
51		Municipal Conservation	Austin	x			\$3,000,000	700
52	L	Carrizo Groundwater Supply Project	Guadalupe Blanco RA	x			\$152,335,000	24,000
53		Hays-Caldwell Water Treatment Plant Improvement Project	Canyon Regional WA			x	\$5,000,000	1,560
54		I-35 Business Waterline Extension and Citywide Waterline Replacement	Pearsall			x	\$7,400,000	397
55		Phase 1B, 1C, and 1D	Alliance Regional Water Authority	x			\$148,000,000	16,320

Reference	Sponsor region	Project ^a	Project sponsor entity	Financial assistance features			Closed funding amount	Associated annual water supply (acre-feet per year) ^b
				SWIFT funding	Board participation	Other state and federal funding		
56	L	SAWS ASR Treatment Plant Expansion	San Antonio Water System	x			\$27,635,000	21,000
57		Trinity Aquifer Groundwater Wells	New Braunfels			x	\$40,000,000	4,480
58	M	City of McAllen Acquisition of Water Rights (Conversion of Water Rights)	McAllen	x			\$3,215,000	1,333
59		City of McAllen Brackish Groundwater Treatment Plant	McAllen	x			\$30,000,000	6,720
60		ERHWSC North Cameron Reverse Osmosis Plant Expansion	East Rio Hondo WSC			x	\$43,110,000	2,800
61		McAllen Citywide AMI/AMR Infrastructure Upgrade Project	McAllen	x			\$18,000,000	964
62		Rio Hondo Proposed Reverse Osmosis Treatment Plant & Water Well Improvements	Rio Hondo			x	\$4,140,000	1,120
63		Seawater Desalination Plant	Laguna Madre WD	x			\$10,000,000	5,600
64		Sharyland Water Supply Corporation Test Wells	Sharyland WSC			x	\$1,050,000	0
65	N	Replace Small Diameter Distribution Lines & Install Automated Meter Reading System	Nueces Co WCID # 3			x	\$9,304,876	4
66		Seawater Desalination	Corpus Christi	x			\$10,000,000	33,604
67		Supplemental Water Resources	Alice			x	\$12,499,000	3,336
68	O	Seminole 2024 Water System Improvements	Seminole			x	\$6,090,000	1,120

^aProject name and components may vary from the 2022 State Water Plan.

^bAssociated annual supply volumes based on best available information. Water volumes may also be associated with other projects and may differ from the final amounts at project completion. Projects with zero acre-feet of associated supply do not include a construction phase required to bring supplies online.

FWSD – fresh water supply district

MIWA – municipal and industrial water authority

MWD – municipal water district

RA – river authority

SWIFT – State Water Implementation Fund for Texas

UA – utility authority

WA – water authority

WCID – water control and improvement district

WD – water district

WSC – water supply corporation

WSD – water supply district

General comments

Groundwater

Approximately 89 comments were received related to groundwater.

Responsive comments reflected a range of themes/issues/concerns, including, but not limited to:

- significant concerns about groundwater export projects depleting local groundwater and potential impacts on rural groundwater users;
- significant concerns about cumulative project impacts and sustainable use of groundwater;
- significant concerns about industrial (data center) groundwater use; and
- concerns about state financial assistance for larger groundwater conveyance projects.

Response: The TWDB has no regulatory authority related to issuance of permits or groundwater management decisions. The TWDB does not allocate or regulate water resources or supplies, nor is it involved in utility water supply contract decisions with their customers. The Board provides financial assistance for eligible infrastructure development, collects water-related data, and administers the state's water supply planning process. The Phase II state water plan amendment will not present different results than Phase I, but it will present additional information on groundwater availability and use.

After consideration of the comments received, no changes were made to the plan.

Rural issues and private property/water rights

Approximately 110 comments were received related to rural and private property/water rights issues.

Responsive comments reflected a range of themes/issues/concerns, including, but not limited to:

- significant concerns that urban and industrial interests and water supply needs are prioritized over rural and agricultural interests and water supply needs;
- significant concerns about groundwater export projects depleting local groundwater and potential impacts on rural groundwater users; and
- significant concerns about infrastructure development competing with private property ownership.

Response: The TWDB has no regulatory authority, related to issuance of permits or groundwater management decisions. The TWDB does not allocate or regulate water resources or supplies, nor is it involved in utility water supply contract decisions with their customers. The TWDB does not provide wholesale or retail water service, nor does it operate water supply infrastructure. The Board provides financial assistance for

infrastructure development, collects water-related data, and administers the state's water supply planning process.

There is no statutory direction regarding statewide prioritization for meeting the needs of specific categories of water uses. The Phase II state water plan amendment will not present different results than Phase I, but it will present additional information on rural issues.

After consideration of the comments received, no changes were made to the plan.

Conservation

Approximately 67 comments were received related to conservation.

Responsive comments reflected a range of themes/issues/concerns, including, but not limited to:

- emphasis that conservation practices should be prioritized before water supply infrastructure development, and
- concerns about outdoor water use and the need to conserve.

Response: While the TWDB does not mandate conservation practices by utility customers, it collects and reports data relevant to conservation practices. Entities with 3,300 connections or more, financial obligations to TWDB greater than \$500,000, or a surface water right from the Texas Commission on Environmental Quality, are required to submit Water Conservation Plan every five years to the TWDB. Additionally, planning groups must also evaluate conservation and drought management measures for all water user groups with identified needs. To assist planning groups with this requirement, TWDB has developed a conservation information dashboard for water supply planning that facilitates consideration of this information in the development of regional water plans: <https://www.twdb.texas.gov/waterplanning/data/dashboard/conservation.asp>.

The Phase II state water plan amendment will present this information in a chapter on conservation, similar to the 2022 State Water Plan.

After consideration of the comments received, no changes were made to the plan.

Environmental Water Issues / Environmental Flows

Approximately 27 comments were received related to environmental water use and environmental flows.

Responsive comments reflected a range of themes/issues/concerns, including, but not limited to:

- concerns about impacts on spring flows from lowered groundwater levels;
- concerns about habitat needs and environmental flows impacts from surface water / groundwater interactions; and

- the suggestion that environmental flow needs be integrated into the state's planning process as a water user group rather than consideration being limited to evaluations of new water supply projects.

Response: The TWDB rules (31 TAC §358.3(22) and (23)) require that regional water planning groups use the environmental flow standards for the explicit purpose of meeting environmental needs, and to evaluate strategies in the regional water plans, where applicable. Additionally, 31 TAC §358.3(23) requires consideration of environmental water needs including instream flows and freshwater inflows to be consistent with the TCEQ adopted environmental flow standards where applicable.

While the environment is not defined as a water user group with estimated demands and needs, regional water planning groups are required to consider and potentially adjust recommended water management strategies based on environmental needs. This consideration is applied during water management strategy evaluations consistent with requirements in 31 TAC §§ 357.8(22) and 357.34(e). Regional water planning groups may also make other recommendations related to environmental water needs as part of their regulatory, administrative, or legislative recommendations under 31 TAC §357.43(d).

The TWDB and the regional water planning groups do not have the statutory direction or resources to perform new evaluations of environmental flows within the framework of regional water planning.

After consideration of the comments received, no changes were made to the plan.