



Subcommittee on Long-Term Regional Planning
Processes and Business Modeling

Review Proposed Evaluative Criteria and Decision-Making Framework

Item 3b

December 19, 2023

Subject

Review Proposed Evaluative Criteria and Decision-Making Framework

Purpose

The CAMP4W process will establish a methodology for evaluating options through a Climate Decision-Making Framework and will provide a roadmap for identifying solutions to mitigating the identified risks. It will be a living document that will be updated to identify changing conditions and to report those changes to the Board.

This Committee Item focuses on the development and use of Evaluative Criteria and provides an overview of how they integrate into the CAMP4W process.

Item 3b

Review Proposed
Evaluative Criteria
and Decision-Making
Framework

Outcome Goals of Dec. 19, 2023 meeting

Tasks to achieve to
continue CAMP4W
process in a timely
manner to allow the
completion of the
Climate Decision-
Making Framework
by April 2024

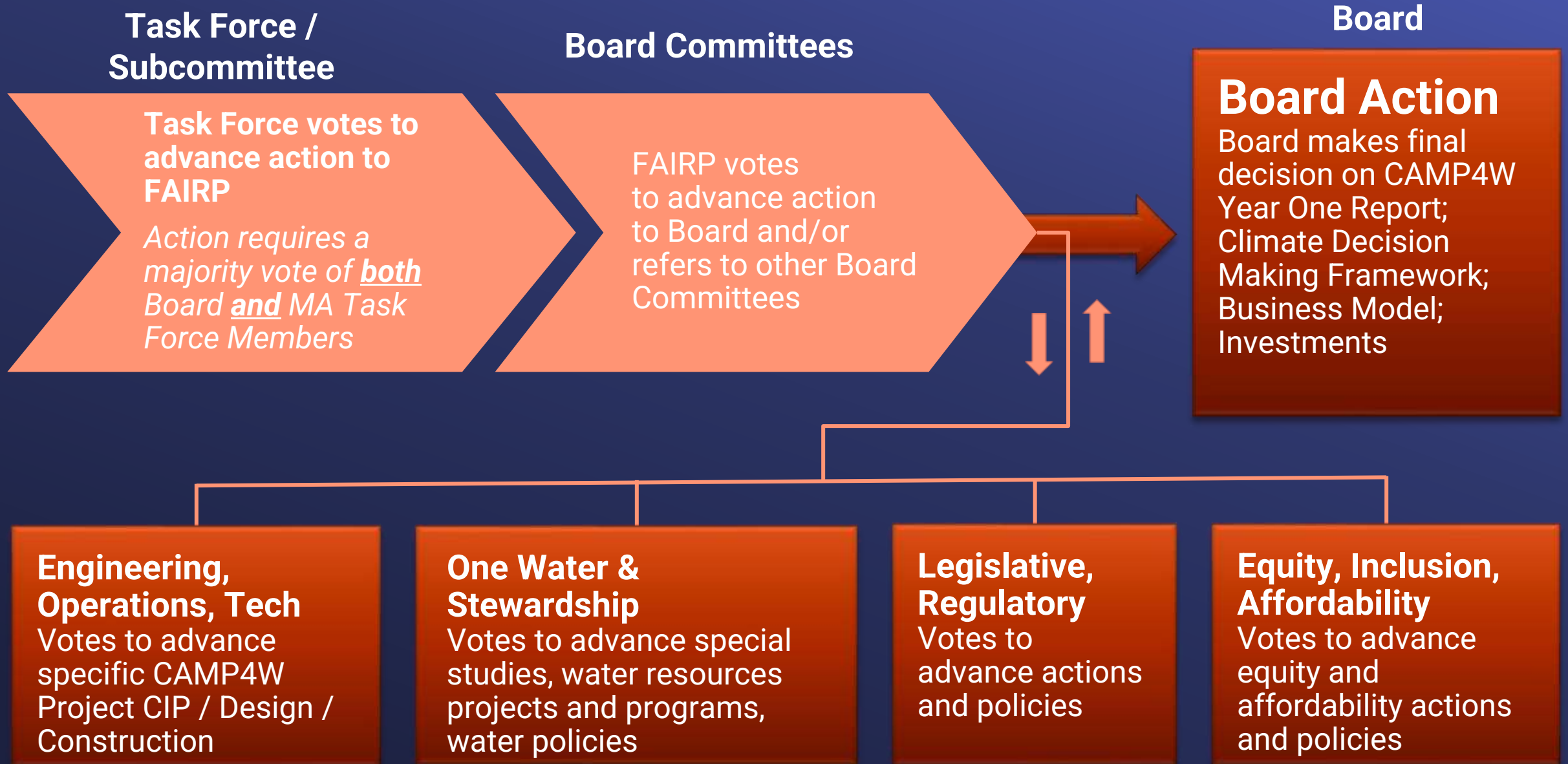


Decide on Selected
Evaluative Criteria

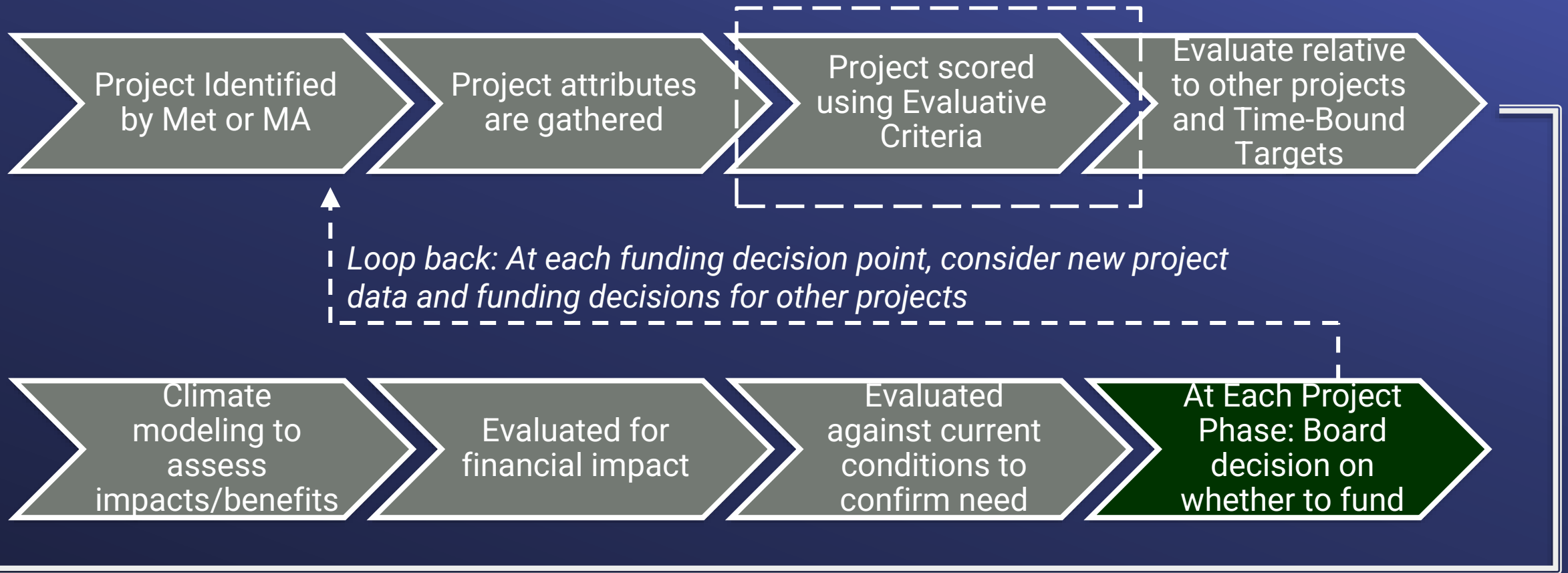
*The iterative process will allow
for future revision

Discuss Role of
Time-Bound
Targets in Decision-
Making Process

Board Processes Related to CAMP4W



Climate Decision-Making Framework: Process for Decision-Making



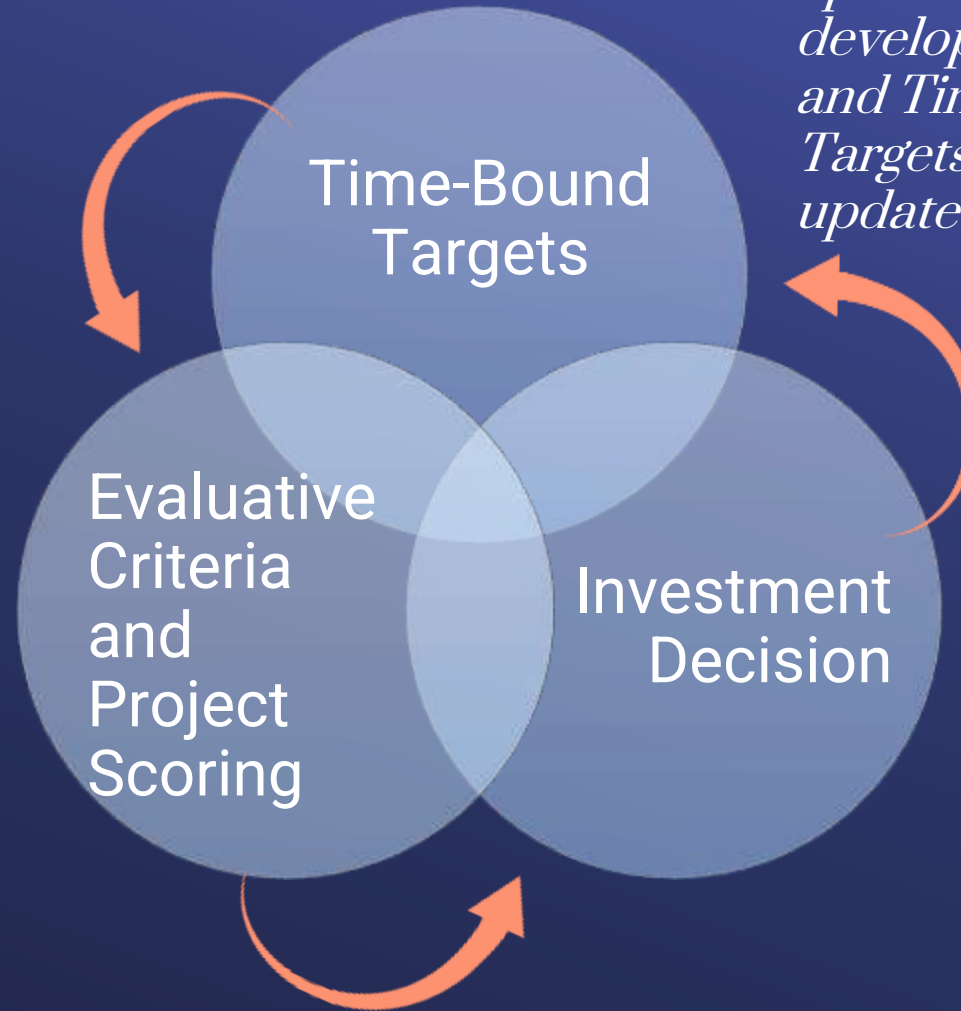
Decision Making Framework

Evaluative Criteria works in
conjunction with other
inputs:

*Time-Bound Targets,
Evaluative Criteria and
Investment Decisions
function together*



*Time-Bound
Targets guide
project
development
and inform
scoring of
projects*



*Adaptive Management:
update resource
development needs
and Time-Bound
Targets based on
updated projections*

Scores and Time-Bound Targets inform decision-making

Climate Adaptation
Master Plan for Water

Time-Bound Targets

Resource Development Targets

Core Supply Target: TAF

Flex Supply Targets: TAF

Storage Target: TAF

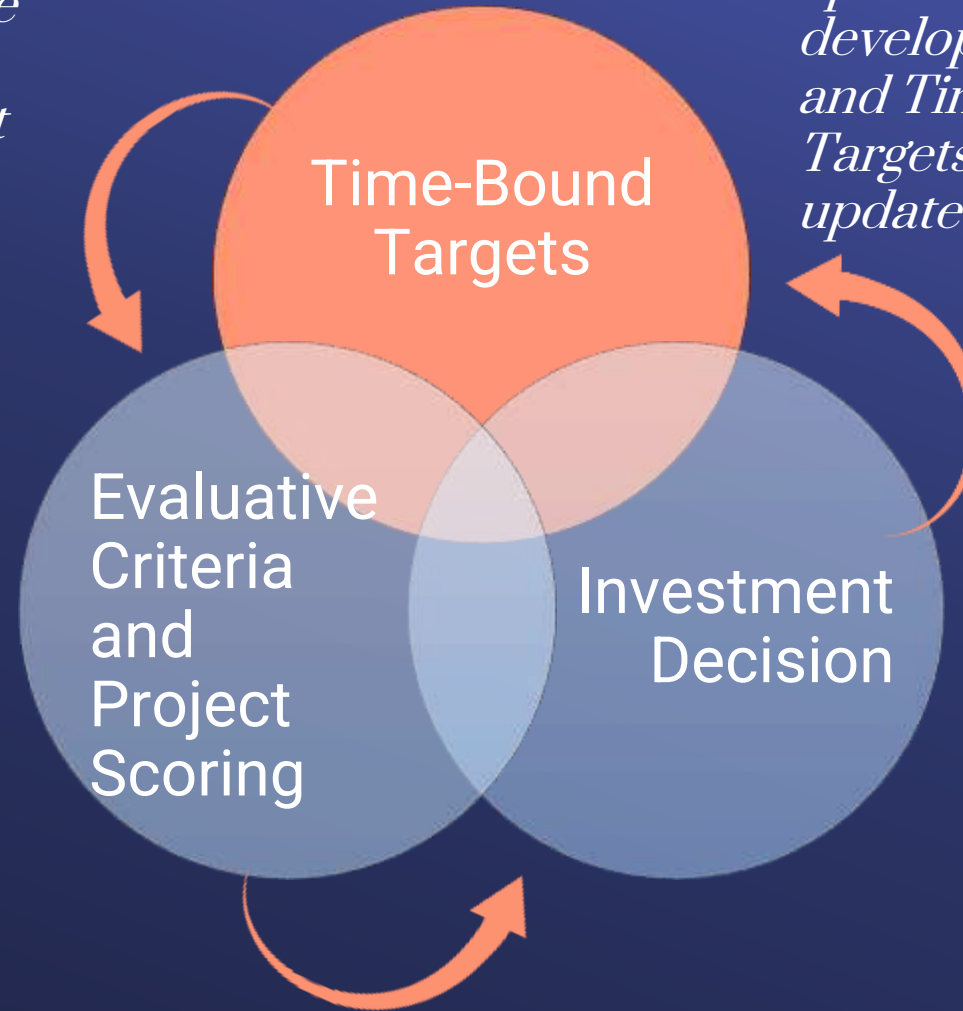
Policy-Based Targets

GHG Reduction

Investment in conservation

Equitable supply reliability

*Time-Bound
Targets guide
project
development
and inform
scoring of
projects*



*Adaptive Management:
update resource
development needs
and Time-Bound
Targets based on
updated projections*

Scores and Time-Bound Targets inform decision-making



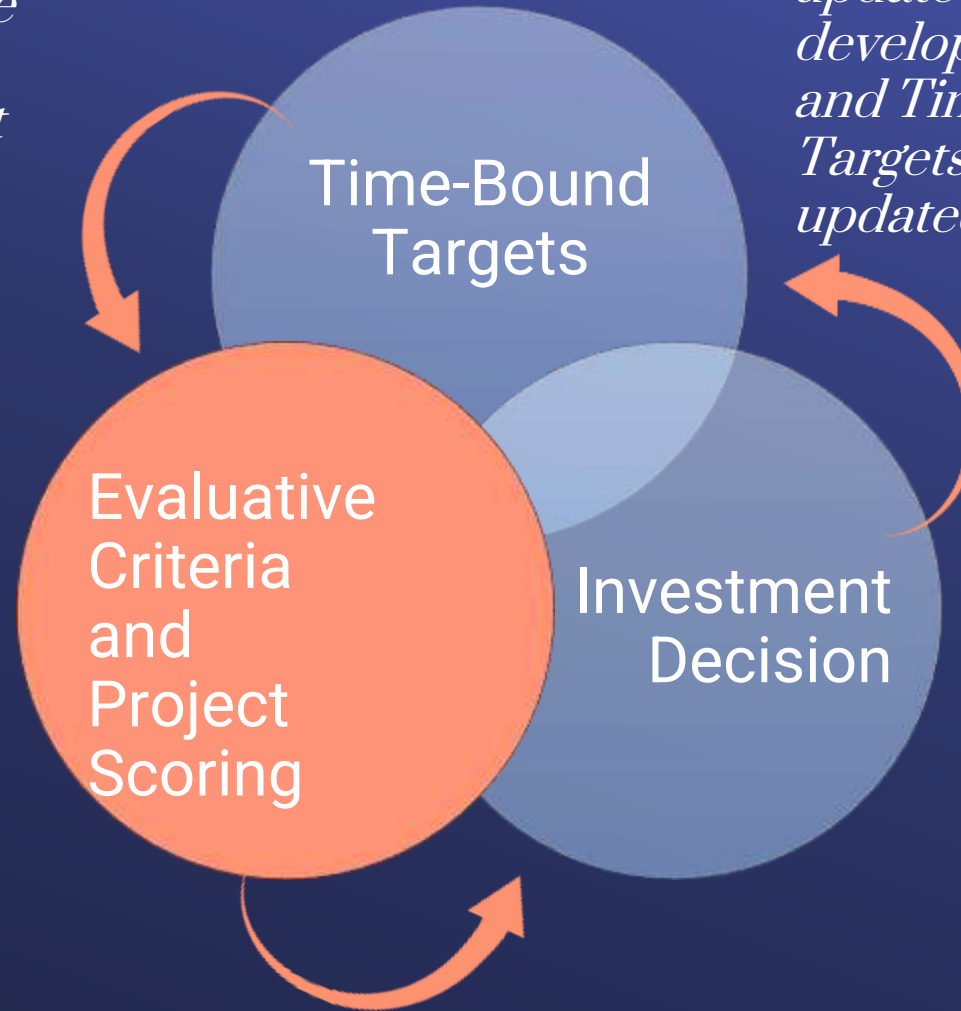
Evaluative Criteria and Project Scoring

Project is modeled to evaluate how it performs in a climate stressed future, screened for fatal flaws, and project attributes are compiled for scoring

- Reliability
- Resilience
- Financial Sustainability and Affordability
- Equity
- Increased Adaptability and Flexibility
- Environmental Co-Benefits

Time-Bound Targets guide project development and inform scoring of projects

Adaptive Management: update resource development needs and Time-Bound Targets based on updated projections



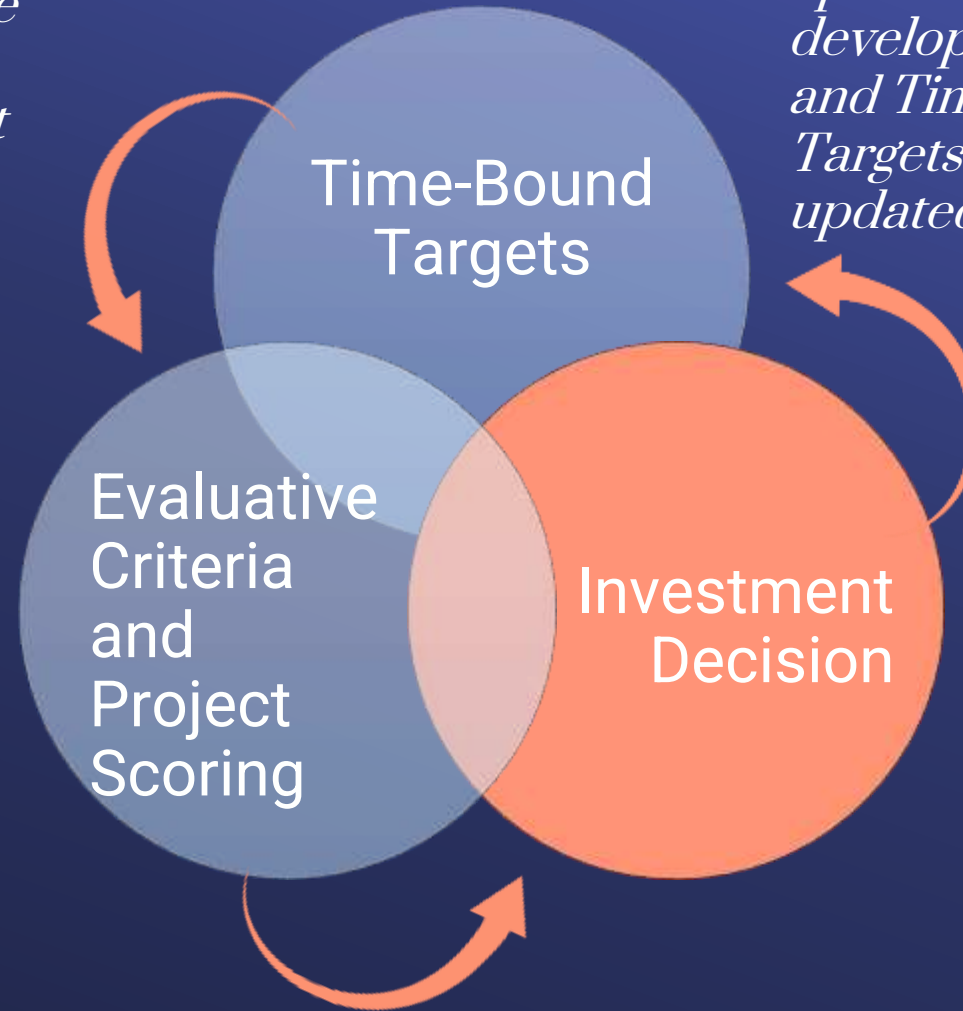
Scores and Time-Bound Targets inform decision-making

Investment Decision

Board decides on investments using information produced about the project or program while considering Metropolitan's mission, policies, and Time-Bound Targets in the context of Metropolitan's portfolio of investments.

Time-Bound Targets guide project development and inform scoring of projects

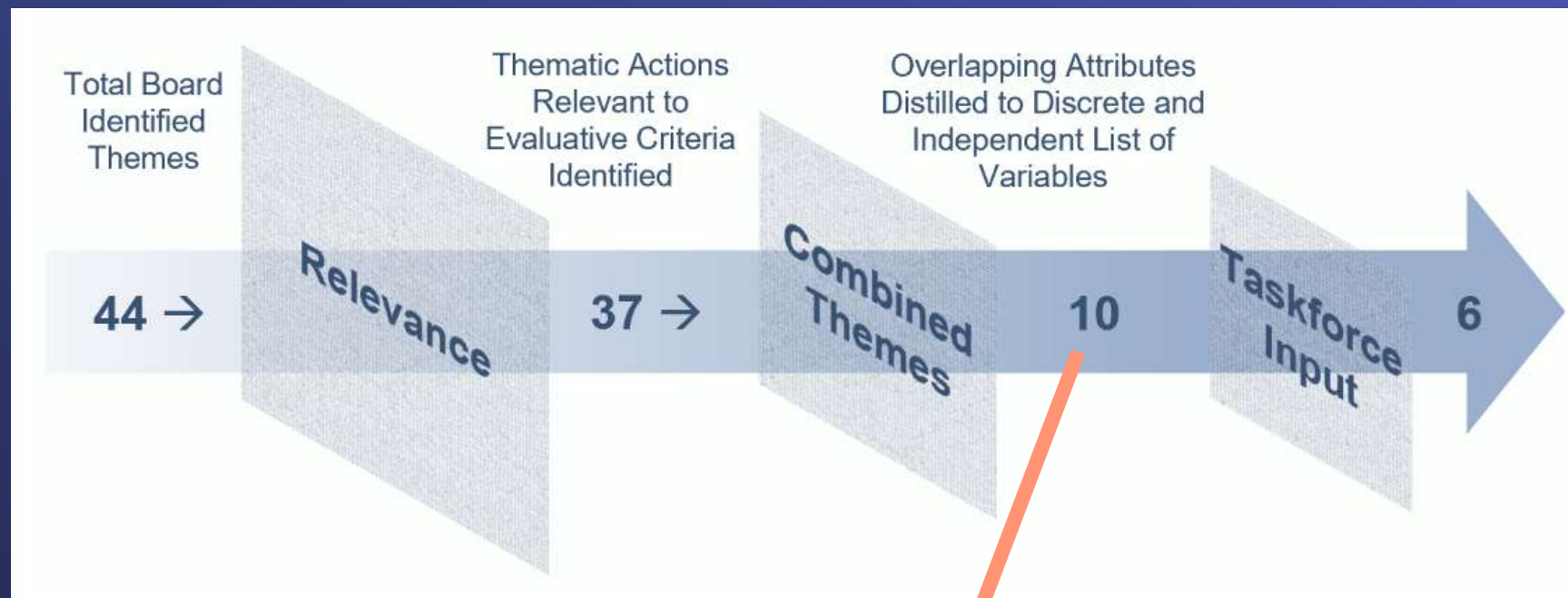
Adaptive Management: update resource development needs and Time-Bound Targets based on updated projections



Scores and Time-Bound Targets inform decision-making

Overview of Nov 19, 2023 Meeting

Process of
incorporating Board
Themes into Draft
Evaluative Criteria was
presented

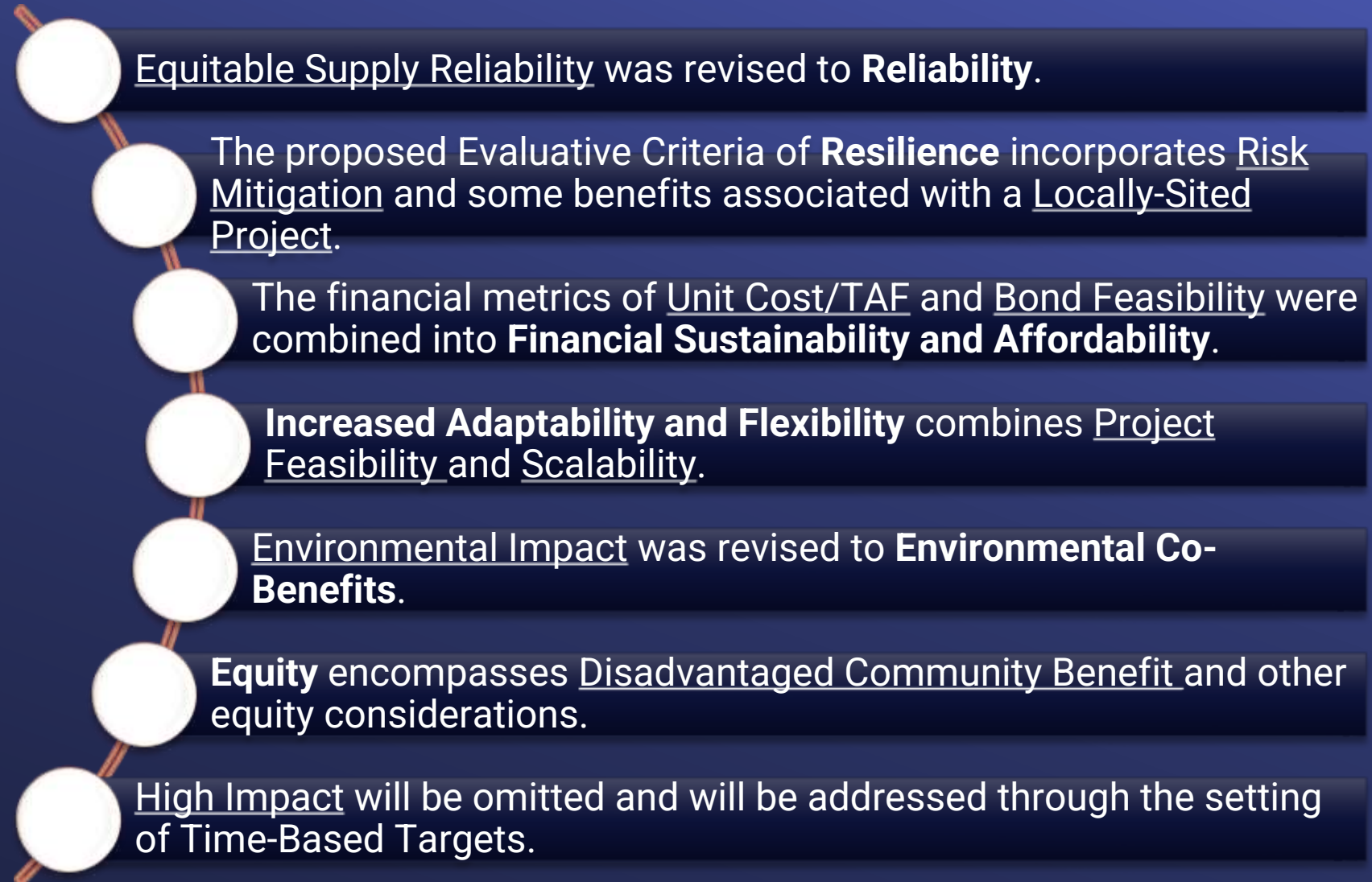


Initial Draft Evaluative Criteria



Revisions based on Input

Initial Draft Evaluative
Criteria were revised
based on comments
received from the Joint
Task Force



Revised Draft Evaluative Criteria

Summary of Draft
Evaluative Criteria

Reliability

Resilience

Financial
Sustainability
and Affordability

Equity

Increased
Adaptability and
Flexibility

Environmental
Co-Benefits

What Attributes Should Influence Scoring?

Questions to consider
to define the
Evaluative Criteria and
facilitate revisions



RELIABILITY

- Does it advance equitable supply reliability?
- Does it help meet supply reliability objectives based upon Average and Dry Year conditions?
- Does it serve all parts of the service area?
- How reliable is the source of the supply in projected climate conditions?

RESILIENCE

- Does it address an identified climate vulnerability and resilience objectives (e.g., extended drought, extreme heat, wildfire, sea level rise, atmospheric rivers, runoff shifts)?
- Will it continue to operate and perform under various climate change conditions, including potential compounding impacts?
- Does it improve resilience to hazards, such as earthquakes?
- Does it address water quality considerations?
- Does it provide supplies during shortages and/or provide storage recovery?

What Attributes Should Influence Scoring? (Continued)

Questions to consider
to define the
Evaluative Criteria and
facilitate revisions



FINANCIAL SUSTAINABILITY AND AFFORDABILITY

- What is the average annual rate impact?
- Is the project eligible for federal and/or state grants or other funding sources or partners? If so, what are the estimated target amount(s)? Is there a local match requirement? If so, how much?
- If applicable, what is the unit cost/af (gross and net)? For storage projects, what is the cost/capacity and cost/net yield?
- Does the life cycle cost of the project impact overall financial impact?
- Can the project be funded by tax-exempt bonds?

EQUITY

- To what scale does it directly or indirectly benefit disadvantaged communities, as defined by Water Code 79505.5, while enhancing Metropolitan's services?
- What level of community engagement is included in the project or program? Is there broad community support?
- Are specific community benefits such as workforce opportunities, localized resilience, public health and quality of life measures incorporated?

What Attributes Should Influence Scoring? (Continued)

Questions to consider
to define the
Evaluative Criteria and
facilitate revisions

INCREASED ADAPTABILITY AND FLEXIBILITY

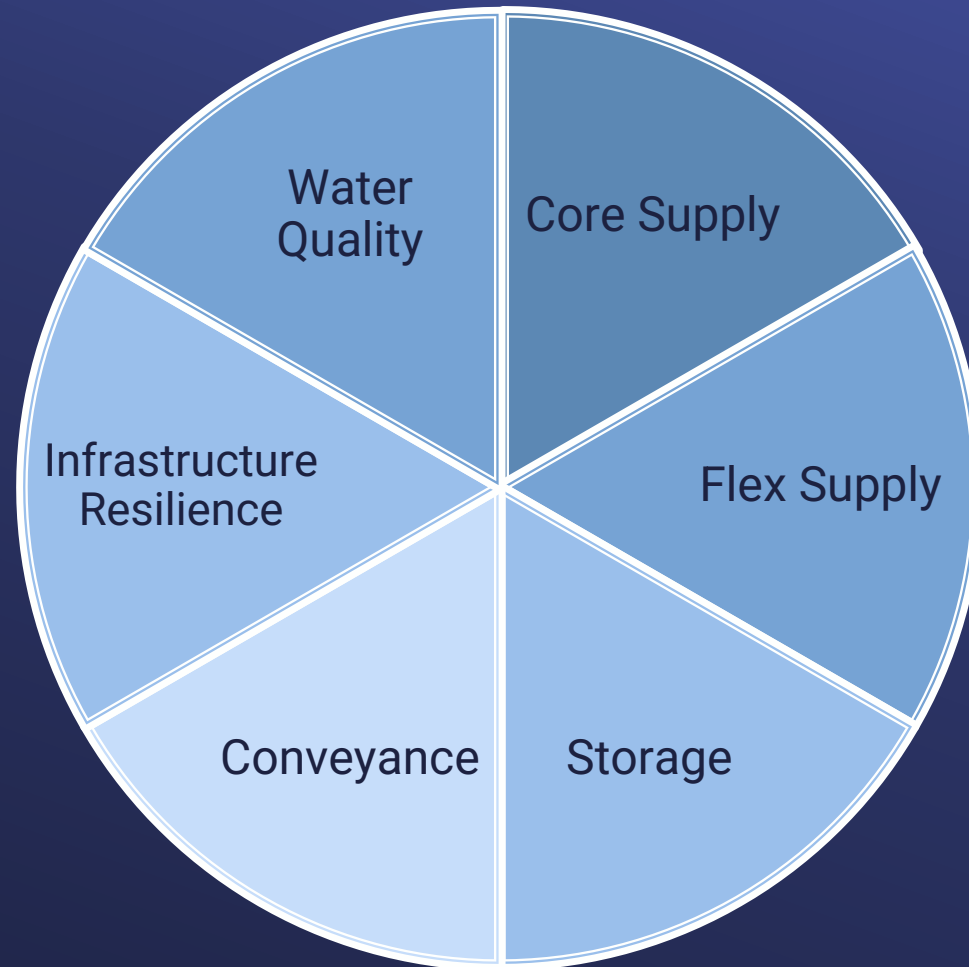
- Does it work with and/or improve the flexibility of existing assets?
- Can it be scaled up or down based on future conditions?
- How complex are the steps required for implementation?
- Is there a fatal flaw that prevents implementation?

ENVIRONMENTAL CO-BENEFITS

- Does it reduce greenhouse gas emissions or enhance carbon sequestration?
- Does it provide additional ecosystem services benefits, such as water quality, soil health, biodiversity, etc.?
- Does it protect wildlife and fish habitat, especially for species of concern?

Climate Adaptation Master Plan for Water Time-Bound Targets

A defined and measurable goal for a specific category of actions and investments over a specified period of time



Potential Time-Bound Targets could include supply targets in addition to related metrics:

- Avg GPCD regionally
- Sq. Ft of NFT replaced
- TAF of Storage Capacity
- TAF of Stormwater Capture
- TAF of Recycled Water
- % Locally-Sited Water
- Avg Energy Use Intensity
- GHG Reduction Targets

Schedule of Next Steps

CAMP4W Task Force Meetings / Topics

- January 18, 1:30pm-4:30pm
 - Portfolio Emphases & Criteria Weighting; MA Dashboard with Climate Projections
- **February 5, 9am – February 6, 1pm**
 - Climate Adaptation and Scenario Planning; Adaptive Management
- February 28, 9:30am-12:30pm
 - Climate Decision-Making Framework; Draft Year One Report
- March 27, 9:30am-12:30pm
 - Draft Year One Report; CAMP4W Next Steps
- April FAIRP
 - Board Action on Year One Report, including Climate Decision-Making Framework

