

## **Appendix E**

LCRA Board Policy 501: Water Resources

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## LCRA BOARD POLICY

### 501 – WATER RESOURCES

Aug. 21, 2019

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#### 501.10 PURPOSE

This policy establishes principles and guidelines for implementing LCRA's responsibilities regarding water supply management, planning and development, water conservation, environmental flows, water quality protection, water contracts and rates, and the temporary lowering of LCRA-operated lakes.

#### 501.20 WATER SUPPLY MANAGEMENT, PLANNING AND DEVELOPMENT

**501.201 Water Supply.** LCRA will take initiative in appropriate management, planning, programs and projects to control, store, preserve, use, develop, conserve and manage the water supplies under its jurisdiction. To guide this effort, LCRA will adhere to the following general principles:

1. As a regional water supplier, LCRA will, where practically feasible, cooperate with regional efforts to benefit the Colorado River basin.
2. LCRA will optimize its water supply by managing the water stored in lakes Buchanan and Travis with a basinwide perspective of ensuring firm water supplies are available during an extended drought while continuing to make interruptible supplies available whenever possible. LCRA will achieve this objective, in part, through the development and implementation of its state-approved Water Management Plan.
3. While maximizing the potential supplies available from its Colorado River rights in a cost-effective manner, LCRA may consider development of new, cost-effective supplies to serve its customers.
4. LCRA will monitor developments in state water law and water rights permitting and, where necessary, take action to ensure the legal rights and obligations LCRA has to manage the state's water resources are not significantly and adversely affected by such activities.
5. LCRA will stay fully apprised of developments regarding the legal framework under which groundwater is regulated and evaluate LCRA's role and the potential impacts to LCRA. Through ongoing assessments of groundwater supplies, LCRA will encourage and research conjunctive management and use of groundwater and surface water supplies. LCRA may plan, develop and manage groundwater and

conjunctive use projects where economically feasible and supported by sound science.

6. LCRA will explore opportunities to improve the reliability of water supply for agricultural needs through diverse, cost-effective strategies that increase available supply in the lower basin while minimizing the impact on firm water customers.
7. A preference for a basinwide approach to benefit both upstream and downstream interests will be given when pursuing water supply strategies.

**501.202 Public Engagement.** LCRA will provide information to the public about plans for future water supply projects and will solicit feedback from the public in the decision-making process. LCRA's public engagement process may include the use of one or more of the following: advisory committees, community forums, town hall meetings or open houses, newspaper advertisements, dedicated webpages, online feedback forms, and other strategies, as appropriate, in addition to any applicable regulatory agency-required public process. The scope and details of LCRA's public engagement process for any proposed project will depend on the size and nature of the proposed project.

For any new water supply project that is expected to create 10,000 acre-feet or more per year, staff will, at a minimum:

- Meet with stakeholder groups and, as appropriate, individuals to provide information about the proposed project, answer questions and solicit input.
- Create a dedicated webpage designed to educate the public about the proposed project and to solicit input from stakeholders and other interested participants. The webpage will provide information relevant to the proposed project, including meeting presentations, participant comments and LCRA's responses, and appropriate technical information.
- Provide periodic progress reports to the Water Operations Committee in public meetings of the committee, including reports on feedback and input received from the public.

Nothing in this policy shall be construed as requiring the disclosure of information that is protected under Texas open government laws.

### **501.30 WATER CONSERVATION**

LCRA will meet or exceed state water conservation requirements and provide leadership in promoting the conservation of water. LCRA's commitment to conserving water will be achieved by implementing a variety of programs designed to encourage the conservation of water.

## **501.40 ENVIRONMENTAL FLOWS**

LCRA is committed to maintaining, and where reasonably possible, improving fish, wildlife and recreation resources in the river and bay system. LCRA will continue to be a leader in developing high-quality science on environmental flows for the benefit of the lower Colorado River basin and comply with all state and federal requirements in the most efficient way possible. LCRA will provide water to help meet environmental flow needs in a manner that does not diminish or hamper its ability to meet current and future water demands of other beneficial users in the basin.

## **501.50 WATER QUALITY PROTECTION**

LCRA will provide leadership in protecting water quality and, where reasonably possible, improving the quality of the surface water and groundwater within the lower Colorado River watershed. LCRA will seek to protect against degradation of water quality and will support recreation, aquatic life and water supply uses of the waters under its jurisdiction. LCRA will implement this goal through monitoring, assessment, advocacy, contracting, regulatory oversight, and reliance on the best available science, technology and innovation. LCRA will cooperate with other concerned public and private entities to help address issues of concern related to water quality within the lower Colorado River watershed, including groundwater.

## **501.60 WATER CONTRACTS AND RATES**

**501.601 Water Contracts.** LCRA will develop reasonable rules for the consideration, issuance and administration of raw water contracts. Such rules should address requirements for water conservation, drought contingency, interbasin transfers, water quality impacts, and other requirements necessary for the fair and appropriate administration of water contracts. The rules should be updated from time to time to reflect changes to Board policy, applicable law or other business needs. LCRA staff will develop standard form raw water contracts consistent with Board policies and rules.

**501.602 Water Rates.** LCRA's rates will be just and reasonable, not unduly discriminatory, and set to fully recover LCRA's costs to control, store, preserve, conserve, use, plan, develop, manage, distribute and sell the water supplies under its jurisdiction, consistent with state law. The rates will be designed to allow LCRA to be self-supporting in providing these services and with the goal of providing for a stable and predictable flow of revenue.

**501.603 Board Consideration and Public Input.** Implementation of new rates will be carried out within a time frame that attempts to minimize adverse impacts upon the customers of LCRA. All contract rules and rates will be presented to the LCRA Board of Directors for approval, and the public, including all water customers, will be afforded an opportunity to comment on such actions prior to the Board's consideration for approval.

## **501.70            LOWERING LCRA-OPERATED LAKES**

The general manager may authorize the temporary lowering of Inks Lake, Lake LBJ, Lake Marble Falls and Lake Austin only if such lowering will not interfere with LCRA's essential operations, unreasonably impact aquatic habitat, or result in any unrecovered losses related to water supply and are otherwise consistent with LCRA's water rights and existing contracts and leases. Further, such lowerings will not result in any unreasonable losses related to hydro-generation revenues for any lowering of Lake Austin or any lowering of Inks Lake, Lake LBJ or Lake Marble Falls that occurs with a frequency of more than once every four years.

## **501.80            AUTHORITY**

Texas Water Code, chapters 11 and 12

Texas Special District Local Laws Code §§ 8503.001, 8503.004, 8503.0105, 8503.011, 8503.012, 8503.013, 8503.028, 8503.029 and 8503.030

**EFFECTIVE:** Dec. 15, 2010. Amended Sept. 21, 2016; and Aug. 21, 2019.