

## **Agenda Items 6d. Discuss and Consider Approval of Major Water Providers**

This agenda item is to discuss and select a list of Major Water Providers (MWP) for the Region F 2021 Plan. The TWDB defines a MWP as “*A WUG or WWP of particular significance to the region’s water supply as determined by the regional water planning group. This may include public or private entities that provide water for any water use category.*” The TWDB has requested a list of MWPs be selected by the RWPG and submitted with the Technical Memorandum, which is due November 9, 2018.

The TWDB has provided some guidance on the three, often overlapping planning units, Water User Groups (WUG), Wholesale Water Providers (WWPs), and Major Water Providers (MWP), which is attached.

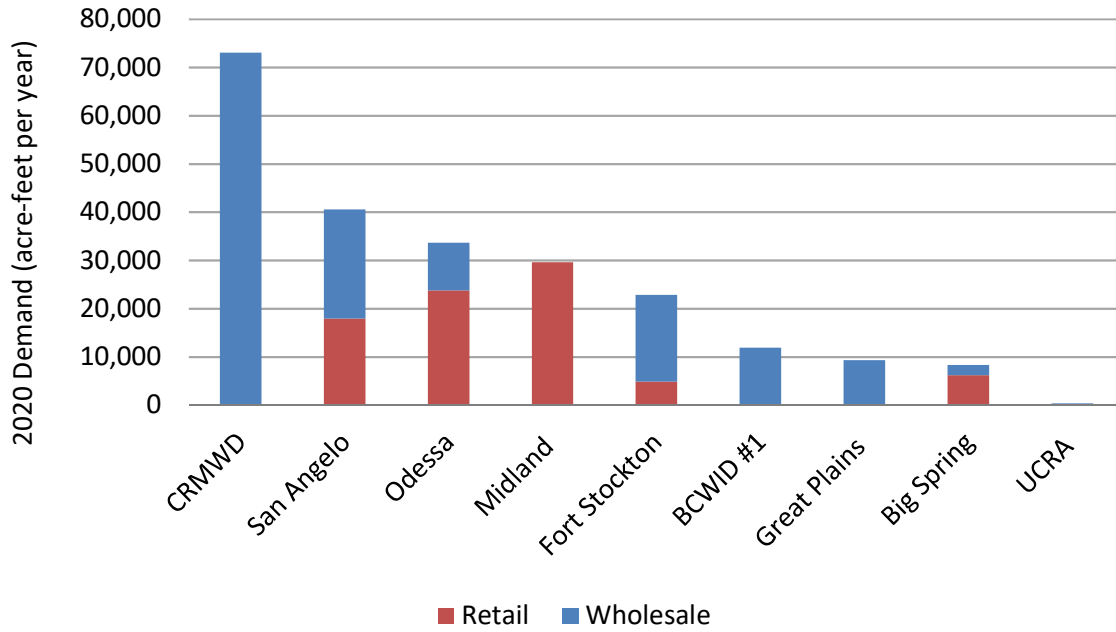
- A municipal WUG is any entity which supplies at least 100 acre-feet of retail water supply.
- In the 2016 Plan, an entity was only considered a WWP if it provided at least 1,000 acre-feet of supplies on a wholesale basis. In the 2021 Plan, a WWP is any entity which provides any amount of supplies on a wholesale basis.
- A MWP is selected by the RWPG because the WUG or WWP is particularly significant to the region. The MWPs will be reported on and summarized in plan.

If an entity is not selected as a MWP, they will still be planned for and included in the 2021 plan. Entities that are not a MWP will also still be eligible for state funding.

The RWPG may select any subset of entities that it determines to be significant as MWPs. There are several possible approaches the Region could use to determine significance including: the quantity of water demands it supplies, regional service areas, control of supplies, or any other determining factor the RWPG chooses.

These factors will be discussed under this agenda item.

For the RWPG’s consideration, the retail and wholesale 2020 demands of several large entities are provided in the graphic below.



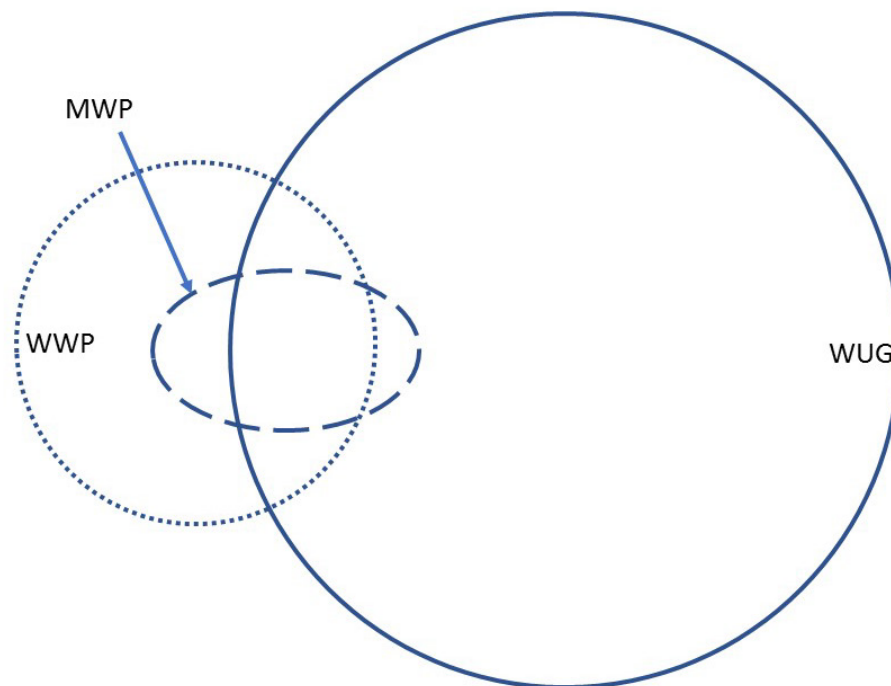
Attachments:

1. TWDB Guidance: Water User Groups, Wholesale Water Providers, and Major Water Providers in Regional Water Planning

## Water User Groups, Wholesale Water Providers, and Major Water Providers in Regional Water Planning

Regional water planning groups (RWPG) are required by rule to specifically consider three, often overlapping, planning units, Water User Groups (WUG), Wholesale Water Providers (WWP), and Major Water Providers (MWP), when developing their plans. This document explains what these entities are, how they relate, and how they may overlap. Keep in mind throughout this discussion that a single entity may simultaneously be designated as a WUG, WWP, and MWP, as summarized in Figure 1. Note that an MWP must also be at least a WUG or a WWP.

**Figure 1:** Ven relationship between three categories of planning units in regional water plans



### **Water User Groups**

WUGs are the entities for which water demand projections are developed by the Texas Water Development Board (TWDB) and that form the underlying—and highest resolution—basis for each regional water plan and the state water plan. Water demands, existing water supplies, and water needs (or surpluses) are evaluated for all WUGs. The Texas state water plan focuses on addressing the identified water needs of the 2,900 WUGS within Texas that fall within six categories (municipal, irrigation, manufacturing, livestock, mining, and steam-electric power). The Texas state water plan presents all information, including information in the interactive state water plan, on a WUG-centric basis.

### **Wholesale Water Providers**

Another type of entity critical to plan development is the wholesale water provider, or WWP. For an entity to be designated as a WWP for planning purposes, it must sell or deliver (or plan to sell or deliver) wholesale water at some point in the 50-year planning horizon, as defined in 31 Texas Administrative Code (TAC) §357.10(43). If, for example, a WUG provides water to retail users as well as wholesale to other entities, it may also be considered a WWP (Figure 1). Regional water planning groups determine the WWPs that they want to utilize in their plan development based upon the known wholesale transactions that occur within the regional water planning area. Data analyses of identified WWPs occur in the evaluation of contractual obligations to supply water, the demands associated with WUGs served by the WWP, and the evaluation of the WWP's existing water supplies. Even though the RWPG is not required to specifically report basic information on WWP demands and supplies in the regional water plan,<sup>1</sup> it will need to do so in at least two specific instances, including:

- **if that same entity is also designated by the RWPG as a MWP, or**
- **if that WWP is designated as the “sponsor” of any recommended water management strategy project (WMSP) in the plan, through TWDB-generated data reports. The WWP information will provide the basis for the WWP WMSP or water management strategy.**

These are minimum reporting requirements; however, an RWPG may present more WWP information utilized in the development of its plan. **The extent to which RWPGs report on WWPs is left largely to the discretion of the RWPGs.**

### **Major Water Providers**

The new category of “Major Water Providers” was established in rules for the development of the 2022 State Water Plan in conjunction with the removal of certain reporting requirements<sup>2</sup> to allow RWPGs to establish a more static list of large water providers for which they report information and to provide regional water planning groups with more flexibility in deciding which large (relative to each region) water provider(s) they want to report information on in their regional water plans. Major water providers represent WWPs and/or WUGs that use, and/or are responsible for developing and/or delivering significant quantities of water in the region. It is up to each region to decide which entities are designated as MWPs.

The intent of the MWP category is to report data for entities of significance to the region.<sup>3</sup> If the region decides not to designate any entities as MWPs, the plan needs to include discussion in Chapter One as to why the RWPG determined it does not have any WUGs or WWPs of significance to the region's water supply.

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### **Definitions:**

*Water User Group (WUG) (31 TAC §357.10(42)) – Identified user or group of users for which water demands and existing water supplies have been identified and analyzed and plans developed to meet water needs. A*

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<sup>1</sup> Previously, TWDB administrative rules required that regional water planning groups report supply, demand, and water management strategy data for WWPs as well as describe those WWPs in Chapter One of their plans. However, this requirement was removed at the request of stakeholders including for the reason that the volumetric threshold previously applied to the WWP definition proved problematic in certain regional water planning areas due to fluctuations in reported use between planning cycles and due to the relative scale in both smaller and larger regional water planning areas.

<sup>2</sup> See footnote 1.

<sup>3</sup> Instead of reporting data for every WWP in the region, as was previously required per footnote 1.

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*municipal WUG is a utility-based entity as defined in 31 TAC §357.10(42). Rural municipal water use that falls outside of the service area of discrete municipal water provider boundaries is aggregated at the county level as “county-other.”*

*These include*

- A. privately-owned utilities that provide an average of more than 100 acre-feet per year (AFY) for municipal use for all owned water systems;*
- B. water systems serving institutions or facilities owned by the state or federal government that provide more than 100 AFY for municipal use;*
- C. all other Retail Public Utilities not covered in (A) or (B) above that provide more than 100 AFY for municipal use;*
- D. collective Reporting Units, or groups of Retail Public Utilities that have a common association and are requested for inclusion by the RWPG;*
- E. municipal and domestic water use, referred to as County-Other, not included in A–D above; and*
- F. non-municipal water use including manufacturing, irrigation, steam-electric power generation, mining, and livestock watering for each county or portion of a county in a regional water planning area.*

*Wholesale Water Provider (WWP) (31 TAC §357.10(43)) – Any person or entity, including river authorities and irrigation districts, that delivers or sells water wholesale (treated or raw) to WUGs or other WWPs or that the regional water planning group expects or recommends to deliver or sell water wholesale to WUGs or other WWPs during the period covered by the plan. The regional water planning groups shall identify the WWPs within each region to be evaluated for plan development.*

*Major Water Provider (MWP) (31 TAC §357.10(19)) – A WUG or WWP of particular significance to the region’s water supply as determined by the regional water planning group. This may include public or private entities that provide water for any water use category.*

For additional information on the regional water planning process and current activities, please call 512-936-2387 or visit [www.twdb.texas.gov/waterplanning/rwp/index.asp](http://www.twdb.texas.gov/waterplanning/rwp/index.asp).