

### Option 1:

The Council recommends that, subject to available state revenue for the 2022-2023 biennium, the Texas Legislature appropriate \$700,000 for the biennium to the TWDB to establish a program building on a water audit validation program study being conducted by the TWDB. Under the guidance of the TWDB, Level 1 validations would be conducted on water loss audits submitted by utilities with over 3,300 connections who have financial obligations with the TWDB, currently approximately 80 utilities. The TWDB would also establish a methodology for conducting Level 1 validations and establish a training program to certify validators.

### Option 2:

The Council recommends that, subject to available state revenue for the 2022-2023 biennium, the Texas Legislature appropriate \$700,000 for the biennium to the TWDB to establish a program building on a water audit validation study being conducted by the TWDB. Under the guidance of the TWDB, level 1 validations would be conducted of water loss audits submitted by a group of 80 utilities volunteering to participate, establish a methodology for conducting level 1 validations, and establish a training program to certify validators.

### Supporting write up

Level 1 validation of water loss audits is crucial if those audits are to be used to make water loss funding decisions, both by the State and by utilities. Level 1 validation ensures that proper processes are being conducted per industry best practice guidance, increasing the efficacy of spending on reducing water loss, helping ensure that cost effective water loss measures are targeted.

### Budget Justification

Task	Cost
<b>Program Announcement/Recruitment</b>	<b>\$60,000</b>
<b>Level 1 Validation Process</b>	<b>\$250,000</b>
<i>Scheduling</i>	
<i>Receipt and review of supporting documentation</i>	
<i>Level 1 Validation session</i>	
<i>Utility-specific documentation</i>	
<b>Compilation and reporting of validation results</b>	<b>\$40,000</b>
<b>Validation Certification</b>	<b>\$250,000</b>
<i>Texas specific Level 1 Validation certification criteria</i>	
<i>Scheduling and administration of certification workshops</i>	
<i>Certification workshops</i>	
<i>Proctor/examinations/compilation of results</i>	
<i>Participation notification and reporting</i>	
<b>Training of TWDB staff for follow-on certification training</b>	<b>\$20,000</b>
<b>TWDB staffing during validation and certification process</b>	<b>\$80,000</b>
<b>Total</b>	<b>\$700,000</b>