

Humboldt Community Services District

Dedicated to providing high quality, cost effective water and sewer service for our customers

January 23, 2019

Public Comment
Low-Income Water Rate Assistance Program
Deadline: 2/1/19 by 12 noon

Jeanine Townsend
Clerk to the Board
State Water Resources Control Board
P.O. Box 100
Sacramento, CA 95812-2000



RE: Comments on Low Income Water Rate Assistance Draft Report

Dear State Water Resources Control Board members,

On behalf of the Board of Directors of the Humboldt Community Services District (HCSD), we would like to thank you for compiling the *Low-Income Water Rate Assistance Draft Report* and are pleased to provide the following comments on that draft report.

Comment 1: Benefit Distribution: We believe that the best way to distribute the discount is through a separate EBT card.

Comment 2: Water Conservation Incentives: We would like to see some consideration in the plan for financial incentives to those that install and use water conservation devices. This benefit could impact both low-income and non-low-income rate payers and help bolster the State's approach to "making conservation a way of life".

Comment 3: Delinquencies: We would like to see the addition of a program that would assist those low-income customers that are delinquent in their payments and are accumulating late fees and penalties.

Comment 4: Revenue Neutral: We encourage the State to only implement LIRA programs that are revenue-neutral to water suppliers and water distributors.

Comment 5: No additional State Oversight: On page 56 of the appendices the following statement is made:

"Thus, one of the Board's proposals is for the Legislature to evaluate (or direct the Board to evaluate) options for additional state oversight and direction on how public

water systems set rates. During the drought, Governor Brown directed the Board to examine rate structures via Executive Order B-29-15.112 The Board has determined that there are multiple ways the state could exert additional oversight over rates without violating Proposition 218, including: providing more detailed guidelines or requirements for cost-of-service studies, developing sales forecasts, and enhancing public process associated with rate increase proposals. Making these actions mandatory, however, would require new statutory authorities."

Water rates are presently set under a very formulaic state-mandated process and those rates are highly customized to the needs of a particular community and the resources available to each water agency. It is our concern that a typical one-size-fits-all approach to additional State oversight may only serve to confuse an already complicated process and may actually result in additional impacts to low-income water customers. We recommend striking this paragraph from the document.

The Humboldt Community Services District was formed in 1952 and presently provides water distribution and sewer collection services to more than 22,000 Northcoast residents over a 15 square-mile area. Serving largely a disadvantaged community, HCSD has discussed low-income programs and appreciate the State looking at this as a statewide issue.

If you have any questions regarding our comments, please do not hesitate to contact me.

Sincerely,



David Hull
General Manager

C: Board of Directors