



LEAGUE OF WOMEN VOTERS® OF CALIFORNIA

May 14, 2012

LATE COMMENT

Mr. Charles Hoppin, Chair of the Board
Ms. Jeanine Townsend, Clerk to the Board
State Water Resources Control Board
1001 I Street, 15th Floor
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Sent via electronic mail: commentletters@waterboards.ca.gov



Re: Volumetric Wastewater Pricing (Item #5 on Agenda for May 15 Hearing)

Dear Chair Hoppin and Members of the Board:

The League of Women Voters of California supports a statewide requirement that wastewater agencies use volumetric billing for residential customers.

The League has long supported measures that promote the management and development of water resources in ways that are beneficial to the environment with emphasis on conservation and high standards of water quality that are appropriate for the intended use. California is under a mandate to reduce its water demand by 20 percent by the year 2020. Even if a water reduction mandate did not exist, California must find ways to reduce its urban water use to meet a growing population, respond to the threat of water supply shortages from climate change and pumping restrictions, and meet the needs of the environment.

The pricing of water can be a powerful means of signaling the importance and scarcity of water. Conservation pricing for sewer systems is a relatively low-cost, simple solution to spurring a reduction in demand. A recent study by Dr. Tom Chesnutt (a well-known and respected policy analyst specializing in issues such as conservation-oriented water rate design and natural resource economics) concluded that if California wastewater agencies converted their residential customers from a flat-rate billing system to a volumetric billing system, the state would save:

- over 141,000 acre-feet per year in the short term (1-4 years from implementation)
- over 283,000 acre-feet per year in the long term (10-20 years from implementation).

This translates to a 3.2 percent water reduction in the short term and a 6.4 percent water reduction in the long term, and will help the state meet the requirements of the Water Conservation Act.

Indeed, most California households already have volumetric pricing for their water systems, and volumetric pricing for sewer systems is in place in many major cities throughout the country and California. Further, the California Urban Water Conservation

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Council's Memorandum of Understanding directs signatory water suppliers who also provide sewer service to use conservation pricing (specifically barring flat, non-volumetric rates). Water suppliers who do not provide sewer service must make "good faith efforts" to work with local sewer service providers to adopt conservation pricing. Good faith efforts include specific actions like proactively using legal and administrative avenues to try to implement the best management practice (BMP), encouraging and cooperating with other entities to promote the use of the BMP. This BMP has been included in the MOU for 20 years.

Conservation pricing is also more equitable for consumers because customers pay for what they actually use and not simply a flat rate. The median customer should see a slight decrease on their sewer bill initially, and learning that one can take action to reduce one's bill will help spur investment in water-efficient fixtures and appliances.

The need for water conservation in California is greater than ever before. We must find creative solutions. Conservation pricing for sewer systems is not a novel concept, is relatively low-cost, and should be relatively simple for many agencies to implement. (More time can be allowed for agencies that face bigger logistical challenges.) Accordingly, we support a statewide volumetric wastewater pricing requirement.

Sincerely,



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President

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