

Current Rate Assistance Program Information

February 8, 2017

Affordable & Safe Drinking Water Workshop

Katie Leo Porter, PE, ENV SP

Staff Engineer, California Urban Water Agencies

California Urban Water Agencies (CUWA) serve over two-thirds of California's population



Retail Agencies

- Alameda County Water District (ACWD)
- City of Fresno
- East Bay Municipal Utility District (EBMUD)
- Los Angeles Department of Water and Power (LADWP)

Retail/Wholesale Agencies

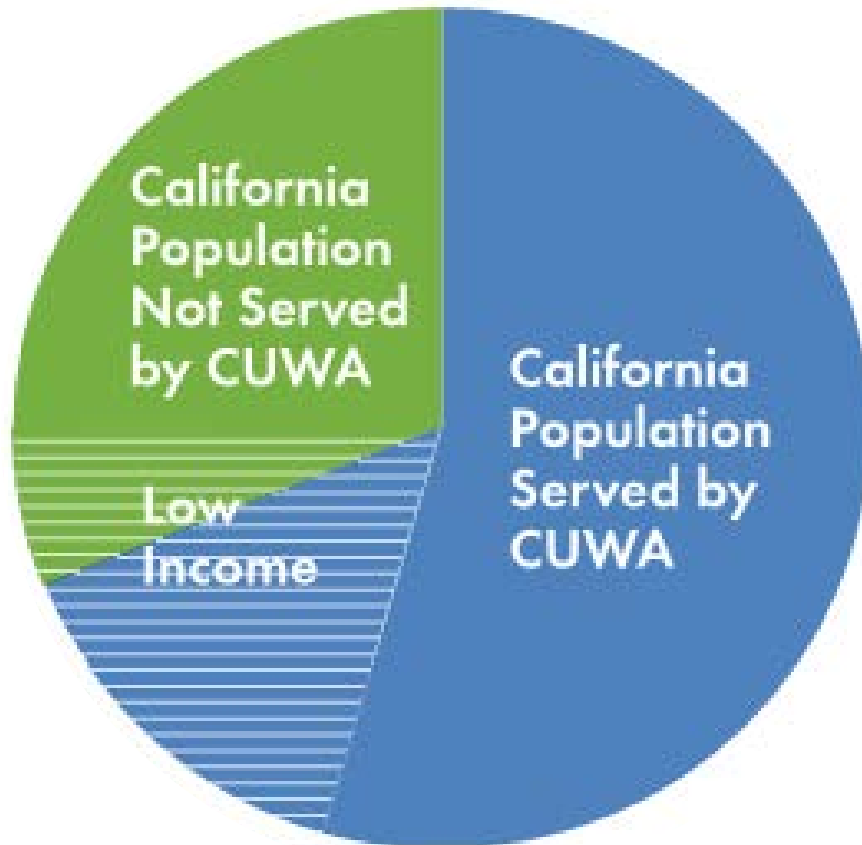
- Contra Costa Water District (CCWD)
- City of San Diego
- San Francisco Public Utilities Commission (SFPUC)

Wholesale Agencies

- Metropolitan Water District (MWD)
- Santa Clara Valley Water District (SCVWD)
- San Diego County Water Authority (SDCWA)
- Zone 7 Water Agency

CALIFORNIA URBAN WATER AGENCIES

CUWA member agencies serve a majority of California's low-income households

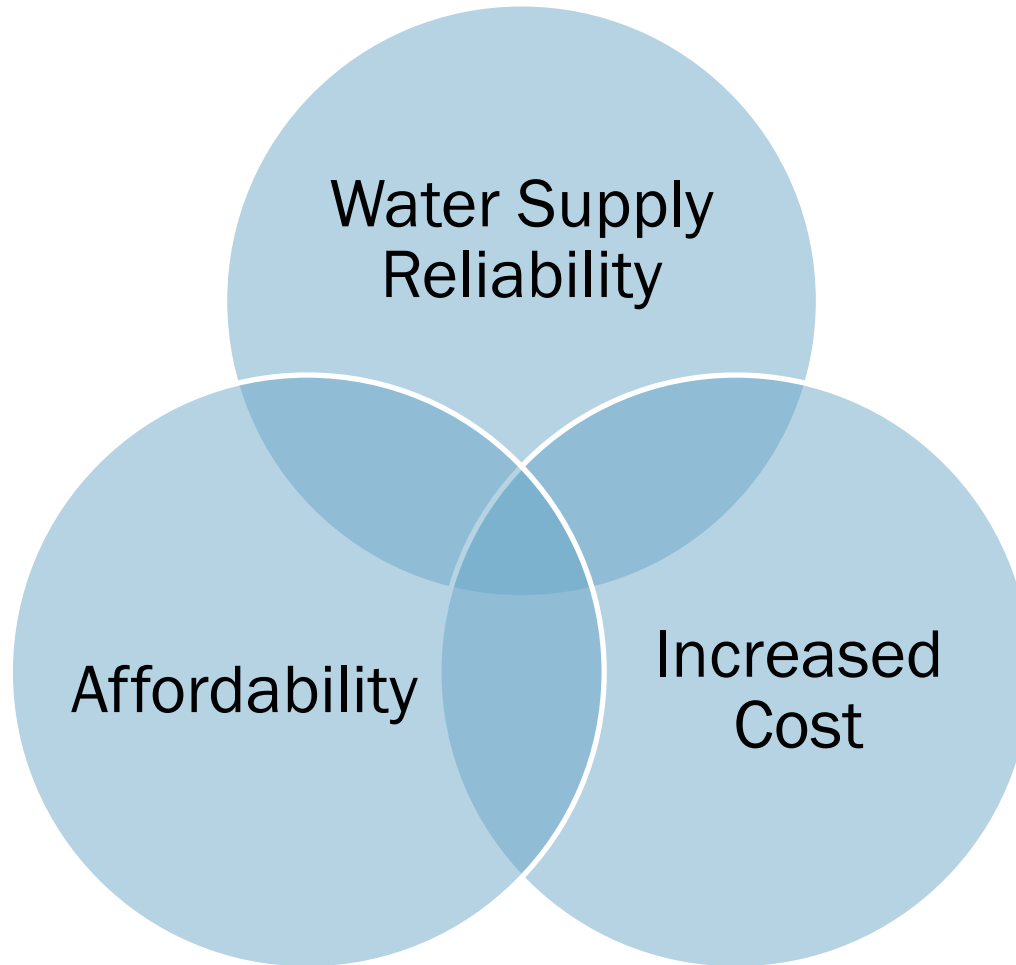


Of the 27 million people in CUWA agencies' service areas, more than 5 million are impacted by water affordability and cost of living issues

The average annual income for these households is less than \$25,000, with up to 5% of that amount often spent on water.

(2015, CUWA Survey)

Continued investments are needed but may compound affordability issues



Prop 218 can constrain the application of some utility funds to assist low-income households

CUWA is committed to identifying strategies that could successfully address affordability within our collective service area to the extent legally allowed

A modification that specifically addresses affordability would enable some water agencies to better meet the local needs of low-income households.

Various strategies are currently being utilized to assist low-income customers

Discounted Water Charges

- Funded by sources that are unconstrained by Prop 218 (e.g. donation programs and local non-profit agencies)

Base Tier Rates

- Minimal amount of water sufficient for human consumption, cooking, and sanitary purposes at a lower cost

Customer Conservation Assistance

- Reduce demand and water bills by increasing water efficiency within low-income households (Use of Prop 84 grant funds)

Partnerships

- Identify available resources and provide support and/or emergency relief.

Education

- Tap water is an inexpensive alternative to bottled water. Consumer savings can go towards household water bills.

Example Program #1: Contra Costa WD

Lifeline rate program

- 50% discount in daily service and demand charges
- For customers over the age of 62 or receiving disability benefits
- Must also meet low income requirements
- Program funded through revenues received for late payment charges.

Program run by District customer service staff

- Program participants are recertified every two years to ensure ongoing qualification.

Less than 1% (612) of the District's treated water residential customers currently participate in the assistance program

Example Program #2: LADWP

Senior Citizen/Disability Lifeline program

- Offers a discount customer bill
- Administered by the Office of Finance (City of LA) since involves other utilities and the Utility Users Tax

Low Income Discount program

- Depends on income & household size
- Administered by agency personnel

Approximately 18% of the residential customers participate in the Low Income Discount *and* Lifeline Programs (out 1.4M)

Example Program #2: LADWP

Payment Plan Options

Payment Extension

30% Initial Payment / 3 Months Pay Plan

50% Initial Payment / 4 Months Pay Plan

20% Initial Payment / 6 Months Pay Plan

- Only available for Low Income and Lifeline Rate customers

Additional LADWP Programs

Project ANGEL

- United Way program: Customers and City employee donations

Serving Our Seniors

- Identify & assist seniors to plug into available programs

Low Income Home Energy Assistance Program

- Energy bill only

Continued dialogue and information sharing will help advance solutions

CUWA supports the State Board's commitment to addressing the water affordability issue in California

Keeping water affordable is also a central mission for CUWA agencies as a variety of forces put inflationary pressure on agencies' costs.

Current proposals for a PGC or fee would further exacerbate affordability for low-income customers and ability to make investments needed to protect public health and water service reliability to our customers.

Katie Porter
CUWA Staff Engineer
kporter1@brwncaid.com
213.271.2239

Cindy Paulson
CUWA Executive Director
cpaulson@brwncaid.com
925.210.2477

www.cuwa.org