



Sent via email to max.gomberg@waterboards.ca.gov

January 19, 2017

Max Gomberg
Water Conservation and
Climate Change Manager
State Water Resources Control Board
1001 I Street
Sacramento, CA 95814

RE: Water financing: Comments on low-income rate assistance

Dear Mr. Gomberg:

On behalf of the California Municipal Utilities Association (CMUA) and the California-Nevada Section of the American Water Works Association (Section), we are thankful for your efforts to encourage public interest and comment on identifying potential funding options to address low-income assistance for water services, as well as more overarching funding needs for water quality and access.

CMUA is a statewide association that represents California's publicly owned electric and water utilities, of which its water members provide safe and reliable water supplies to 70 percent of Californians. The Section is comprised of nearly 6,000 water professionals in California and Nevada, who are directly engaged in every aspect of providing safe, clean reliable water. The Section's membership includes public agencies, private agencies, as well as a broad and diverse range of technical experts. CMUA and the Section believe that we can provide a unique perspective in working through the many issues and challenges that water agencies face in funding needed projects and identifying revenue streams to support both capital and operation costs.

CMUA and the Section's member agencies work diligently each day to meet their fundamental responsibility: serving our customers a reliable supply of high-quality drinking water. We acknowledge that water is an absolute necessity for basic human health and safety and from a general policy view, support broad access to safe, reliable and affordable water. However, as you have experienced and observed, questions and concerns arise when discussing concepts that would require water customers to pay additional costs for benefits that would accrue to the broader public.

Because water rates must reflect the distribution of cost of service equitably among each type and class (commercial, industrial, residential, etc.) of service, water agencies must carefully consider many factors

when developing rate structures. The impacts of the past five years of significant drought conditions throughout the state, potentially leading into a sixth-year, places further constraints on current revenue sources along with existing financial obligations and the costs of drinking water quality compliance. CMUA and the Section believe that rate-setting decisions must continue to occur on a local level and water agencies should have the maximum degree of flexibility to develop rate structures that are effective for their communities while adhering to the relevant constitutional limitations.

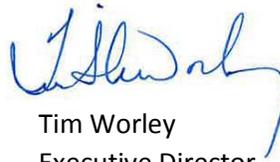
CMUA and the Section are interested stakeholders in this issue, and respectfully request that you consider our respective associations as an informational resource as you continue to work on identifying possible revenue options. We are available to meet to discuss these issues further, and hope to work with you. If you should have any questions or comments, please contact Danielle Blacet, Director for Water with CMUA, at (916) 326-5802, or Tim Worley, Executive Director for the Section, at (909) 291-2102.

Thank you for your interest in our comments, and your time.

Sincerely,



Danielle Blacet
Director for Water
California Municipal Utilities Association



Tim Worley
Executive Director
California-Nevada Section of the
American Water Works Association

Cc: Kathy Frevert, Senior Environmental Scientist, State Water Resources Control Board