



Public Works Department

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Jay T. Spurgin
Public Works Director

February 1, 2019

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



Re: Comment Letter – Options for Implementation of a Statewide Low-Income Water Rate Assistance Program

Dear Ms. Townsend:

The goal of the State to provide affordable water for all residents is laudable. However, the projected costs of providing this ongoing subsidy are substantial. The options draft dated January 3, 2019 focuses on documenting the need for a subsidy and potential revenue sources. The report is silent on the potential to reduce water usage. Permanently reducing water waste and thus reducing water bills should be evaluated and may prove more cost-effective than ongoing subsidies.

Figure 8 on page 26 states that 4.23 million low-income individuals do not directly receive a water bill out of the 5.85 million projected eligible individuals. This would still leave 1.62 million that may benefit from programs that assist them in upgrading their water fixtures and appliances. It is likely that many of their fixtures are significantly older and may have leaks or be an outdated, inefficient design.

Programs would need to be evaluated to overcome barriers to implementation, such as direct installation or providing instant rebates since many individuals in this group may not be able to wait weeks or months for a reimbursement check. Permanently reducing water usage would assist in staying within lower and cheaper water tiers as well as increasing climate resilience.

In addition, the City is concerned about the projected cost estimates provided in the report. SWRCB estimates the cost of their program at \$606 million and 34 percent of households statewide would be income-eligible for this program. According to 2017 US Census data, there are approximately 11.5 million households in California.

Approximately 4.3 million households would participate in the Utility Assistance Program which leaves approximately 7.5 million non-participating households to fund the \$606 million program.



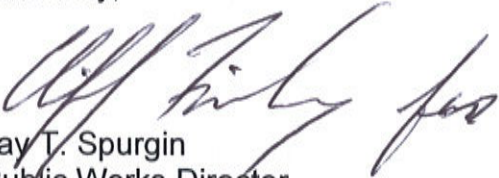
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The cost to non-participating households would be closer to \$6.00 per month which is significantly more than \$1.00 per month in the initial projections.

We encourage the state to look for opportunities to permanently reduce water waste from inefficient and leaky fixtures prior to subsidizing usage. Secondly, the projected costs are substantial and beyond what the remaining water customers should subsidize. The staff should work with the Governor's Office to identify additional sources of funding beyond the identified sources in the report.

If you have additional questions, you can contact John Brooks of my staff at jbrooks@toaks.org or (805) 449-2472.

Sincerely,



Jay T. Spurgin
Public Works Director

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