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February 1, 2019

Ms. Jeanine Townsend
Clerk of the Board
State Water Resources Control Board



Submitted electronically to: commentletters@waterboards.ca.gov

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

Dear Ms. Townsend:

The East Bay Municipal Utility District (EBMUD) appreciates the opportunity to comment on the draft report titled "Options for Implementation of a Statewide Low-Income Water Rate Assistance Program." EBMUD commends the State Water Resources Control Board (Board) for incorporating input from the stakeholder process and developing a thorough document regarding the potential funding and implementation of a Water Low Income Rate Assistance (W-LIRA) program.

EBMUD agrees that a statewide W-LIRA program could provide a safety net for the most vulnerable Californians. EBMUD also agrees with the findings in Appendix G that a W-LIRA should not be funded with a monthly water user fee on single-family account holders. Such a fee would only exasperate the current challenges of water affordability and increase cost burdens on local water agencies to administer the collection and remittance of these fees.

EBMUD also supports a benefit disbursement approach that utilizes existing programs rather than a direct benefit through the customer's water bills. Since 1987, EBMUD has provided a Customer Assistance Program (CAP) to help qualified low-income residential customers by offering a discount on both water and wastewater services. Despite EBMUD's best efforts to increase participation in CAP, it is estimated that as many as 200,000 of EBMUD's low-income customers are unable to benefit from the program because they are not billed directly. For this reason, a W-LIRA program that would disburse benefits through existing programs such as CalFresh could have a wider reach to the eligible households. To ensure nexus between the benefit and drinking water access, the recipient should receive a clear signal that the payment is intended to help offset costs associated with drinking water access.

While the overall draft report provides a promising framework for moving forward, one area of concern EBMUD would like to highlight is Appendix L's discussion of utility rate structures and its conclusion that "only mandatory state or federal standards regarding drinking water system rate design can overcome this obstacle." EBMUD believes

"mandatory state or federal standards" for water system rate design ignore that water system rates are dependent on many complex variables specific to individual utilities and a one-size-fits-all approach mandated from the state or federal level is likely to cause more issues than it resolves. We suggest the Board continue to engage in discussions with utilities on how to best address issues surrounding water rates and cost of service while acknowledging and respecting the utilities' authority and responsibility with regard to rate setting.

We appreciate this opportunity to provide comments and we look forward to continued discussions with the Board on these complicated but important issues. If you have any questions about these comments, please contact Paul Gilbert-Snyder at 510-287-0432.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew L. Lee", with a long horizontal flourish extending to the right.

Andrew L. Lee