



CITY OF SANTA MARIA
UTILITIES DEPARTMENT
Business Services • Regulatory Compliance
Solid Waste Services • Water Resources

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January 31, 2019



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

CERTIFIED MAIL AND VIA ELECTRONIC MAIL TO
COMMENTLETTERS@WATERBOARDS.CA.GOV

**SUBJECT: COMMENT LETTER - OPTIONS FOR IMPLEMENTATION OF A
STATEWIDE LOW-INCOME WATER RATE ASSISTANCE PROGRAM**

The City of Santa Maria ("City") appreciates the opportunity to provide written comments on the State Water Resources Control Board's ("SWRCB") draft report titled "Options for Implementation of a Statewide Low-Income Water Rate Assistance Program." The City provides water service to more than 108,000 City customers within Santa Barbara County.

GENERAL COMMENTS - PROGRAM ADMINISTRATION AND FUNDING

The City appreciates the SWRCB's recognition that California's 3,000-plus individual water systems (made up of cities, special districts, mutual water companies, and other providers of various sizes and financial circumstances) cannot feasibly implement a statewide low-income assistance program within their individual service areas. Implementation of such a program at the individual water system level would be both impractical and inefficient. Such a program would likely require the City and other water systems to hire and train additional staff and therefore further increase overall costs to administer the water system. Accordingly, if the State considers adopting a statewide low-income water rate assistance program, the City encourages an approach that distributes benefits through existing programs, such as utility bill credits, tax credits, or direct cash benefits, as discussed in the draft report.

COMMENTS ON APPENDIX L

Although the City understands and appreciates SWRCB's efforts to provide various options for assisting low-income water customers, the City has significant concerns regarding Appendix L of the draft report. Specifically, Appendix L suggests that water affordability for low-income customers may be achieved by "extending guidance to water systems to use very progressive rate structures." As correctly noted in Appendix L, however, imposition of statewide rate guidance could substantially affect water agencies' revenue stability and planning, and would also have to be structured in a manner consistent with Proposition 218.

As you know, California is made up of diverse communities with vastly different populations, land uses, service areas, water supplies, operations systems, and financial conditions. Imposing a standard approach to rate design could endanger water systems' financial stability and ability to invest in their water systems, and would therefore significantly undermine our shared State and local goals for water efficiency, quality and affordability. In light of the above, the City strongly discourages further consideration of a "one-size-fits-all" approach to rate structure design.

Thank you again for the opportunity to provide comments on the draft report. The City looks forward to reviewing the final report and working with SWRCB and the Legislature as they further consider these issues. If you have any questions regarding these comments, please call my office at (805) 925-0951 ext. 7211.

A handwritten signature in black ink, appearing to read "SHAD S. SPRINGER", is written over the typed name and title.

SHAD S. SPRINGER, P.E., MPA
Director of Utilities

SSS/hl