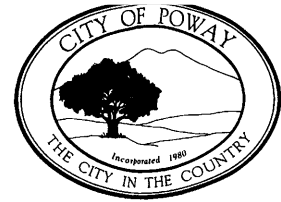


CITY OF POWAY

STEVE VAUS, Mayor
DAVE GROSCH, Deputy Mayor
CAYLIN FRANK, Councilmember
BARRY LEONARD, Councilmember
JOHN MULLIN, Councilmember



January 22, 2019

Ms. Jeanine Townsend, Clerk of the Board
State Water Resources Control Board
P.O. Box 100
Sacramento, CA 95812-2000
Sent via e-mail: commentletters@waterboards.ca.gov

Subject: Comment Letter - Options for Implementation of Statewide Low-Income Water Rate Assistance Program

Dear Ms. Townsend:

The City of Poway would like to thank the State Water Resources Control Board for the opportunity to comment on "Options for Implementation of a Statewide Low-Income Water Rate Assistance Program."

For the most part, the draft report presents a very rational, coherent discussion of the pros and cons on the various options available to generate the revenues and distribute the benefits for a Low-Income Water Rate Assistance (W-LIRA) Program. However, the report also validates that what seems to be a simple proposition is actually very complex and troubled with logistical challenges.

We agree with the consensus that Community Water Systems are not the ideal way to generate revenues or distribute the benefits. Water agencies arrive at rate structures based on their current service area characteristics, as well as operational and financial circumstances, all while complying with the cost-nexus requirements of Proposition 218.

Regulatory agencies and the legislature should be very cautious about establishing rate standards on water agencies to convey a W-LIRA. There are no "standard" communities. There is no "standard" water supply, water service area, water system operational and financial conditions or circumstances.

To conclude, any regulatory or legislative effort to address W-LIRA through rate structure design standards should follow a lengthy, exhaustive and collaborative process. This should include a broad cross section of water agencies with operational and financial expertise to assess what can be done with respect to W-LIRA through rate structure design, while preserving the long-term viability of regional and retail water agencies.

Thank you for the opportunity to comment on this very important topic.

Sincerely,

Steve Vaus
Mayor

cc: Members of the City Council
Tina White, City Manager
Michael Obermiller, Public Works Director
Donna Goldsmith, Finance Director