

**Association of California Water Agencies (ACWA)**  
 State Water Resources Control Board Summary of and Responses to the  
 ACWA 2020 EAR Comment Letter dated September 16, 2020

| ACWA Comments (summarized)  | Water Board Position            | Implementation Timeframe | Water Board Response  |
|---|---------------------------------|--------------------------|---|
| Integrate and streamline data reporting as required under AB 1755 and WRP   | Agree but not able to implement | NA                       | The Water Board agrees with the need to increase streamlining, however this takes additional IT tools on a statewide basis with the development of an open data architecture. The EAR has been developed to improve the overall effort to report by using new functionality. Where feasible, the Water Board will make efforts to identify and gather data from other agencies. |
| Eliminate duplicative reporting, deleting Section B. Income: Revenue and Expenses   | No                              | NA                       | This information is necessary for the Water Board's annual state-wide Needs Assessment. The Needs Assessment and the legislative authority to collect data necessary for it are outline in SB 200. The State Water Board does not collect this information elsewhere for water systems in a machine readable format.  |
| The Financial Transactions Report (FTR) submitted to the State Controller, and Comprehensive Annual Financial Report (CAFR) are more comprehensive than EAR to assess a utilities financial health. | Agree but not able to implement | NA                       | While some of this information may be submitted to the State Controller, it is not currently accessible to the Water Board without development of tools to gather it in machine readable format.  |
| Following questions are duplicative with FTR or CAFR: B1.1, B1.2, B1.5.2, B1.7, B1.8, B2.1, B2.2, B2.3, B2.4, and B2.5.   | Disagree                        | NA                       | While some of this information may be submitted to the State Controller, it is not currently accessible to the Water Board without development of tools to gather it in machine readable format. The Water Board will evaluate the information submitted to the SCO to identify the feasibility and whether the data submitted meets Water Board needs.                         |

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| Expansion of EAR should be necessary for implementation of Water Boards regulatory (compliance) program only.                              | Disagree             | NA                       | The Water Board is authorized by statute to require public water systems to report technical information to the board. (Health & Safety Code, section 116530) This statutory authority expressly extends to information on water systems' financial capacity and sustainability, and drinking water affordability and accessibility. It broadly applies to information that is related to achieving the human right to water in California. (subdivision (a)) The Water Board is therefore authorized to require public water systems to report information to the Water Board on water rates and system finances, shutoffs to customers, and low-income rate assistance programs |
| SB 200 should not be the basis for new EAR reporting requirements  | Disagree             | NA                       | SB 200 requires the annual Needs Assessment. The Needs Assessment components rely on existing and new data from the eAR to be accurate and successful.  |
| Only systems being addressed under SB 200 funding or system solutions should be required to submit data to support the SB 200 evaluations. | Disagree             | NA                       | The Water Board uses this data to determine which systems to prioritize for the SAFER Program (SB 200).   |
| Rates, revenues and expenses information needed for SB 200 evaluations is not pertinent for most PWS, and should be deleted from the EAR.  | Disagree             | NA                       | This information is necessary for the Water Board's annual state-wide Needs Assessment. The Needs Assessment and the legislative authority to collect data necessary for it are outline in SB 200. The Water Board does not collect this information elsewhere for water systems in a machine readable format.  |

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| Questions related to AB 401 LIRA should not be included in the EAR.                              | Disagree                        | NA                       | The Water Board is responsible for implementation of the Human Right to Water statute (Water Code 106.3), which sets goals of safe, clean, accessible, and affordable water for all Californians. The Water Board collects data on affordability, such as rates, customer assistance programs, and shut offs, to inform various ongoing efforts, including SAFER (SB 200), which requires the Water Board to establish an affordability threshold. Water affordability is a growing concern and solutions, including those proposed in the AB 401 report, require continual data collection on how the cost of water is impacting Californians. |
| Allow FY reporting to coincide with the State Controller FY reporting                            | Agree but not able to implement | TBD                      | The Water Board supports the concept of allowing FY reporting, however, it will take several years to be able to integrate this into our data usage models.   |
| Requiring reporting for datasets not available is an economic impact                             | Neutral                         | NA                       | The Water Board's technical reporting authority under section 116530 of the Health and Safety Code is not limited to information that water systems have previously collected or organized. The Water Board recognizes the need to balance information gathering with the impact to utilities.  |
| Utilities do not gather data on the occupancy of multi-family homes (example of economic impact) | Neutral                         | NA                       | For water systems that do not track occupancy for multi-family there is an option to enter the data in the unknown column of the tables in section C. This information is not necessary for completing the section.   |
| Response options should include NA or No to minimize skewed data                                 | Conditionally agree             | 2020 EAR                 | The Water Board expects and requires water systems to track and gather data associated with mandatory survey questions. For some survey questions, the Water Board may allow a water system to indicate that data is not collected, but the expectation is that the water system will begin collecting this data and will only be granted a limited grace period for reporting.   |

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| Include comment boxes for each question  | No                   | NA                       | Comment boxes for all eAR questions may not be necessary; however, the Water Board is open to specific suggestions on where additional comment boxes may be appropriate.  |
| Rate setting is a local decision. EAR should not be used to assess financial health or establish a correct rate structure. | Agree                | NA                       | It is not the Water Board's intent to regulate rate structures for all water systems. The Water Board has a legislative obligation to assess the financial health and resiliency of water systems which is why financial data is collected through the eAR. |

**Question Specific Comments from ACWA:**

| 2019 EAR Question No. | ACWA Comments  | Comment: Additional Details  | Water Board Position | Implementation Timeframe | Water Board Response  |
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| A.                    | <b>Water Rates Charges</b>   | <b>The new questions proposed in Section A are unnecessary and should be deleted.</b>  | Disagree             | NA                       | This information is necessary for the Water Board's annual Needs Assessment. The Needs Assessment and the legislative authority to collect data necessary for it are outline in SB 200. |
| A.1.2                 | [If yes] Has your approved water rates (billing structure) changed from the previous reporting year? | Water rates and billing structures are distinct from one another – e.g. water rates could change while the billing structure remains the same. This question is not necessary for regulatory programs and should be deleted. | Yes                  | 2020 EAR                 | We will change question verbiage to water rates or billing structure"   |

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| A.2.2                 | Is your water rate structure the same for Residential and Non-Residential customers? | It is not clear how agencies would respond to this question. Suppliers may have several rate structures for residential and non-residential customers. This question is not necessary for regulatory programs and should be deleted. | Yes                  | 2020 EAR                 | We will change question verbiage to "most common water rate structure"   |
| A.2.2b                | [If yes] Comments on rate structure, explain allocation rate if applicable           | A1.12 requests links to agency websites and A1.13 asks for documentation to be uploaded. Any information relevant to this question would be duplicative and should be deleted.   | No                   | NA                       | This documentation allows staff to verify the survey answers provided through the eAR and it usually contains system-specific information that is useful to the Water Board.   |
| <b>A1</b>             | <b>Residential Water Rates and Charges</b>   |  |                      |                          |  |
| A1.1                  | Select the most common rate structure used to charge Residential customers           | The response options are overly restrictive. For example, it does not include budget and allocation-based rates. This question is not necessary for regulatory programs and should be deleted.                                       | No                   | NA                       | The system is asked in A1.1 to indicate if they use an allocation-based structure. If they do, the table the user will be asked to fill out has only one field to complete. The new redesign help accommodate this specific issue. |

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| A1.5                  | Select any variances or factors used to determine or adjust residential water rates or allocations | The response options are overly restrictive. For example, it does not include all, none, other, or a subset of the possible responses. This question is not necessary for regulatory programs and should be deleted. | No                   | NA                       | A1.5 is optional, includes a "None of the Above" option at the bottom of the list, and has a comment box if the system would like to provide more information. The Water Board does not agree with the statement that this question is "overly restrictive"                                |
| A1.11                 | Describe the rate structure changes to rate changes that were made in the update                   | Questions A1.12 and A1.13 already provide this information. This question is not necessary for regulatory programs and should be deleted.  | No                   | NA                       | This is an optional survey question that allows the user to provide any additional information to the Water Board about their recent rate change. This information may not be captured in A1.13 and A1.12 (which asked for the weblink or documentation about the current rate structure). |
| <b>A2</b>             | <b>Residential Service Connection</b>  |  |                      |                          |  |
| A2.1                  | Select the most common Residential or Single- Family meter size                                    | Connection fees are not always based on meter sizes. This question is not necessary for regulatory programs and should be deleted.   | Yes                  | 2020 EAR                 | We will be removing eAR survey questions that ask about meter sizes.   |
| A2.3                  | What is the approximate service charge for a brand-new Residential or Single Family connection?    | Connection fees are calculated using multiple factors, thus agencies would be unable to provide accurate   | Yes                  | 2020 EAR                 | Replace the word "approximate" with "average"  |

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|                       |   | responses. This question is not necessary for regulatory programs and should be deleted.  |                      |                          |  |
| A2.6                  | What is the approximate service charge for a brand-new Multi-Family connection? | Connection fees are calculated using multiple factors, thus agencies would be unable to provide accurate responses. This question is not necessary for regulatory programs and should be deleted. | Yes                  | 2020 EAR                 | Replace the word "approximate" with "average"                        |
| A3                    | <b>Non-Residential Water Rates and Charges</b>                                  |   |                      |                          |  |
| A3.2                  | Select the most common Non-Residential meter size                               | Meter sizes differ greatly among non- residential connections. Many agencies would be unable to provide an accurate response to this question. This question should be deleted.                   | Yes                  | 2020 EAR                 | We will be removing EAR survey questions that ask about meter sizes. |

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| B1                    | Total Revenue Generated from Different Sources  | The new questions are duplicative with existing reporting requirements and are unnecessary for regulatory programs. These questions should be deleted.   | No                   | NA                       | This information is necessary for the Water Board's annual Needs Assessment. The Needs Assessment and the legislative authority to collect data necessary for it are outline in SB 200. The Water Board does not collect this information elsewhere for water systems in a machine readable format. |
| B2                    | Total Expenses  | The new questions are duplicative with existing reporting requirements and are unnecessary for regulatory programs. These questions should be deleted.   | No                   | NA                       | This information is necessary for the Water Board's annual Needs Assessment. The Needs Assessment and the legislative authority to collect data necessary for it are outline in SB 200. The Water Board does not collect this information elsewhere for water systems in a machine readable format. |
| B2.1                  | Total annual operations and maintenance expenses (e.g. salaries, benefits for employees, utility bills, system repair and maintenance, supplies, insurance, water purchased for resale) | Total annual operations and maintenance expenses are not indicative of financial health. See <i>Comment 3 A</i> regarding SB 100 implementation. This question is not necessary for regulatory programs and should be deleted. | No                   | NA                       | This information is necessary for the Water Board's annual Needs Assessment. The Needs Assessment and the legislative authority to collect data necessary for it are outline in SB 200. The Water Board does not collect this information elsewhere for water systems in a machine readable format. |



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| B2.3                  | Total annual expenses from financing activities (e.g. retirement of long-term debt, purchase of securities, interest expenses, etc.)                       | Financing activities are not necessarily categorized as an expense. This question is not necessary for regulatory programs and should be deleted.   | No                   | NA                       | This information is necessary for the Water Board's annual Needs Assessment. The Needs Assessment and the legislative authority to collect data necessary for it are outline in SB 200. The Water Board does not collect this information elsewhere for water systems in a machine readable format.   |
| <b>C1</b>             | <b>Shutoffs</b>  |   |                      |                          |   |
| C1.1                  | How many accounts for Residential/ Single-Family and Multi-Family service connections had their water shut-off once during the year due to failure to pay? | There is currently a statewide moratorium on shut-offs. Data provided on shut-offs would be an outlier until the moratorium is lifted and should not be required until the moratorium is lifted.  | No                   | NA                       | This question should remain in the 2020 survey because the moratorium did not begin at the start of the calendar/reporting year. However, the Water Board may add a disclaimer or note recognizing this fact.   |
| C1.3                  | What is the median duration of the shut-offs (in days) for continuously occupied Residential/ Single Family & Multi-Family service accounts?               | Most water agencies do not track this information. There is currently a statewide moratorium on shut-offs. Data provided on shut-offs would be an outlier until the moratorium is lifted and should not be required until the moratorium is lifted. | Conditionally agree  | NA                       | The Water Board expects and requires water systems to track and gather data associated with mandatory survey questions. For some survey questions, the Water Board may allow a water system to indicate that data is not collected, but the expectation is that the water system will begin collecting this data and will only be granted a limited grace period for reporting. |

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| C1.7                  | Do you offer an extended repayment or other customer payment assistance plan?  | The complexity of customer payment assistance plans cannot be captured in a yes/no response. This question is not necessary for regulatory programs and should be deleted. | No                   | NA                       | The Water Board can provide guidance on this question to help water systems reply with a yes or no answer.  |
| C1.7.1                | [If yes] How many occupied Residential/ Single Family and Multi-Family customer accounts participated in your extended payment of other customer payment assistance plans?   | Public water agencies do not have this information. This question is not necessary for regulatory programs and should be deleted.  | Conditionally agree  | NA                       | The Water Board expects and requires water systems to track and gather data associated with mandatory survey questions. For some survey questions, the Water Board may allow a water system to indicate that data is not collected, but the expectation is that the water system will begin collecting this data and will only be granted a limited grace period for reporting. |
| C1.7.2                | How many of the continuously occupied Residential/ Single-Family and Multi-Family customer accounts were shut off at least once during the year and were enrolled in an extended assistance plan at the time of the service disconnection? | Public water agencies do not have information. This question is not necessary for regulatory programs and should be deleted.   | Conditionally agree  | NA                       | The Water Board expects and requires water systems to track and gather data associated with mandatory survey questions. For some survey questions, the Water Board may allow a water system to indicate that data is not collected, but the expectation is that the water system will begin collecting this data and will only be granted a limited grace period for reporting. |

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| C2                    | <b>Residential Customer Assistance</b>  |   |                      |                          |   |
| C2.8.2                | [If yes] How much benefit (in dollars) was provided through your partner organization(s): | Public water agencies do not have this information. This question is not necessary for regulatory programs and should be deleted.   | Conditionally agree  | 2020 EAR                 | The Water Board expects and requires water systems to track and gather data associated with mandatory survey questions. For some survey questions, the Water Board may allow a water system to indicate that data is not collected, but the expectation is that the water system will begin collecting this data and will only be granted a limited grace period for reporting. |
| D                     | <b>Water Deliveries</b>   |   |                      |                          |   |
| D.5                   | Is your system an Urban Water Supplier with dedicated outdoor irrigation meters?          | There is currently no standard definition for what a dedicated outdoor meter includes, and therefore data would be inconsistent and misleading. DWR is currently developing recommendations. This question should be deleted. | No                   | NA                       | As part of data streamlining efforts, the Water Board will align definitions across agencies. Until then, data produced by this question are the best available.  |

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| D.5.1                 | What is the annual volume of outdoor irrigation water used on landscape areas with dedicated irrigation meter in connection with commercial, institutional, and industrial (CII) water use? | Public water agencies will need to meet an outdoor water use efficiency standard. This question is not necessary for regulatory programs and should be deleted. | No                   | NA                       | Answering these questions is not mandatory. As part of the rulemaking process, the Water Board intends to use the best information available to inform environmental and economic impact analyses. By providing responses to these questions, Urban Retail Water Suppliers would be supporting that effort. |
| D.6                   | Was any of your annual urban water deliveries used for irrigation or developed and natural parklands or publicly maintained urban trees (outside of parklands)?                             | Public water agencies do not track this data. This question is not necessary for regulatory programs and should be deleted.                                     | No                   | NA                       | Answering these questions is not mandatory. As part of the rulemaking process, the Water Board intends to use the best information available to inform environmental and economic impact analyses. By providing responses to these questions, Urban Retail Water Suppliers would be supporting that effort. |
| D.6.1                 | What percentage of total annual urban water deliveries were used for irrigation of:   | Public water agencies do not track this data. This question is not necessary for regulatory programs and should be deleted.                                     | Disagree             | NA                       | Answering these questions is not mandatory. As part of the rulemaking process, the Water Board intends to use the best information available to inform environmental and economic impact analyses. By providing responses to these questions, Urban Retail Water Suppliers would be supporting that effort. |