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Matthew Litchfield, P.E.

January 31, 2019



State Water Resources Control Board
Attn: Jeanine Townsend, Clerk to the Board
P.O. Box 100
Sacramento, Ca 95812-2000
Sent Via Email: commentletters@waterboards.ca.gov

RE: COMMENTS - Implementation of a Statewide Low-Income Water Rate Assistance Program

Dear Ms. Townsend:

On behalf of the Three Valleys Municipal Water District (TVMWD), I would like to take the opportunity to comment on the State Water Resources Control Board's draft report on "Options for Implementation of a Statewide Low-Income Water Rate Assistance Program" (the "Report") are set forth below.

TVMWD is a wholesale member agency of the Metropolitan Water District of Southern California and we appreciate the State Water Board staff's work on the Report and their consideration of stakeholder input on the important issues the Report addresses. Although there are some issues that require further consideration and, in some cases, revision, we are generally satisfied with the Report and pleased the Report does not recommend generating the necessary revenue by placing a fee or tax on consumers' water bills.

However, we are particularly concerned with two areas. First, we are concerned with the administrative burden that may be placed on our retail water suppliers under any Low-Income Water Rate Assistance Program (the "Program") that is eventually implemented. While the Report recommends options other than direct credits against water supplier bills, it is not clear exactly what, if any, administrative actions must be taken by water suppliers. In light of this uncertainty, we are concerned about the costs water suppliers may incur in administering the program, particularly if those administrative costs will not be funded by the state, as well as administrative and billing changes that may need to be implemented.

Secondly, we are concerned about the potential for persons to receive benefits under the Program, but not use those benefits for water bill payments and then take advantage of the delayed service termination provisions that will take effect under SB 998. It would be possible for a low-income person to take advantage of the system by receiving benefits under the Program, put those benefits to other uses and not pay their water bill, utilizing SB 998 to delay any termination of their service for many months. To the extent possible, benefits under the Program should be linked to water bill payments, or other steps need to be included in the Program to protect against manipulation of the system by Program recipients.

Thank you for the opportunity to provide these initial comments. TVMWD has been following the AB 401 process from the outset and appreciates the Report that has been prepared. In particular, we appreciate the flexibility demonstrated in the revenue source and revenue collection alternatives, as those alternatives avoid placing increased burdens and costs on water systems. However, any alternatives that are eventually selected must take into account the administrative burden that will fall onto our retail water suppliers under that alternative. If you have any questions regarding our comments, please do not hesitate to contact me at 909-621-5568.

Sincerely,



Matthew Litchfield, P.E.
General Manager

cc: Senators Bob Archuleta, Bill Dodd, Ling-Ling Chang, Connie Leyva, Anthony Portantino, Susan Rubio
Assembly Members Ian Calderon, Phillip Chen, Chris Holden, Freddie Rodriguez, Blanca Rubio