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August 21, 2017

Ms. Mary Yang State Water Resources Control Board

Via email: Mary. Yang@waterboards.ca.gov

Re: Comments on AB 401 – Low-Income Rate Assistance

Dear Ms. Yang:

Vista Irrigation District, a public agency that provides water service to over 129,000 people in the city of Vista, and portions of San Marcos, Escondido, Oceanside, and unincorporated areas of San Diego County, appreciates the opportunity to provide comments on the state's development of a low-income water rate assistance program as mandated under Assembly Bill 401 (2015, Dodd), which requires the State Water Resources Control Board to develop recommendations to the Legislature for funding and implementation.

Vista Irrigation District supports water affordability objectives; however, it has concerns with regard to how the low-income rate assistance program will be funded as well as administered. Vista Irrigation District would like to provide the following comments related to implementation of a statewide low-income water rate assistance program.

Funding Considerations

Water providers are legally prohibited from charging more than the cost of providing service; therefore, water providers cannot charge a select group of ratepayers more in order to reduce the charges for another select group of ratepayers. Requiring water providers to collect a surcharge from customers to offset the cost of water for low-income residents directly conflicts with the spirit and requirements of Proposition 218.

Vista Irrigation District opposes any approach that would impose a public goods charge that establishes a statewide tax on water, effectively circumventing Proposition 218. State resources are a more appropriate revenue source for a low income water rate assistance program. Revenue from the state General Fund and/or existing fines and fees coupled with federal low-income assistance resources would ensure an equitable funding mechanism that does not further burden ratepayers.

Program Administration

Most water providers do not have the expertise, staff and resources to administer low-income rate assistance programs. Any additional staff and training required to implement such a program would likely lead to rate increases or delays in completing necessary capital improvement projects, further impacting water reliability and affordability.

Agencies currently providing state and federal assistance programs are a better vehicle to administer a water rate assistance program; as such, these agencies are better equipped to assess eligibility and manage income verification data security. Expanding existing low-income assistance programs, such as CalFresh, CalWORKS or California Low Income Home Energy Assistance Program, to include water rate assistance would reduce administrative costs by limiting the duplication of services. Water bill assistance could be provided in a form similar to or as an overall part of existing low-income assistance programs.

Vista Irrigation District appreciates the opportunity to provide input on the low-income rate assistance program and hopes the State Water Resources Control Board takes our comments into consideration when making their recommendations to the Legislature.

Sincerely,

Eldon Boone

General Manager

Eldon Boone

c: Felicia Marcus, Chair State Water Resources Control Board Cindy Tuck, ACWA Deputy Executive Director for Governmental Relations Kyle Packham, CSDA Advocacy and Public Affairs Director