



ORA

Office of Ratepayer Advocates
California Public Utilities Commission

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JOSEPH P. COMO
Acting Director

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April 15, 2014

Honorable Mariko Yamada
California State Assembly
State Capitol, Room 5160
Sacramento, CA 95814

RE: AB 1434 (Yamada) – Support

Dear Assemblywoman Yamada,

ORA (Office of Ratepayer Advocates) is the independent consumer advocate within the California Public Utilities Commission (CPUC). ORA's statutory mandate is to obtain the lowest possible rate for utility service consistent with reliable and safe service levels. ORA also advocates for customer and environmental protections in connection with utility service.

ORA supports your SB 1434, which would establish a statewide low-income water rate assistance program as specified.

ORA firmly believes that all Californians should have access to safe, reliable and affordable water service. SB 1434 would help advance these commonly-shared goals by establishing a statewide and centralized low-income fund to assist eligible low-income water customers. All ratepayers will likely benefit from such a structure. Those most in need will be eligible for discounted clean and reliable water service and the costs associated with this program will be shared by all other California water customers. This structure will likely minimize the cost burden on the remaining non-low income residential customers. But most important, SB 1434 would allow all public and private water service providers to provide robust low-income programs that are supported by all California water users.

We also suggest that as you consider establishing a statewide low-income water rate assistance program that you consider the following suggested amendment:

(1) A water discount or subsidy not exceeding 20 percent of an enrollee's total water bill, or a direct subsidy based on 20% of the water provider's system average residential monthly bill ~~sixty dollars (\$60) per month~~, whichever is less, shall be made available per billing period to an eligible enrollee in the program for residential water service provided by a water service provider.

ORA believes this suggested language would preserve the State's goals for water conservation and mandate to reduce water consumption by 20% by 2020. By limiting the ceiling on the

discount based on the average residential monthly water bill, it will continue to send the right signal to residential customers to conserve water.

If you have any questions or would like to discuss this matter further, please call ORA's Legislative Advisor, Rebecca Lee, at (916) 327-1407 or me at (415) 703-2381.

Respectfully,

Joseph P. Como, Acting Director
Office of Ratepayer Advocates

By
Rebecca Lee
Legislative Advisor