



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 Fran Pavley
California State Senate
State Capitol, Room 4035
Sacramento, CA 95814

RE: SB 1049 (Pavley) – Support

Dear Senator Pavley,

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 1049 which would augment the Integrated Regional Water Management (IRWM) Planning Act with projects, programs and other water management tools and strategies to reduce energy usage and account for climate change associated with treating and delivering water, as specified.

SB 1049 would encourage water utilities to undertake regional projects, programs and partnerships that reduce the energy intensity of regional water supplies. Hopefully, this will lower customer's monthly bills by encouraging water utilities to seek out projects and regional partnerships that reduce energy use in the water sector and undertake other coordinated efforts to account for climate change and other factors relevant to regional demand and supply projections.

Such programs often require water utilities to provide an initial capital investment with the hopes of long-term savings, and the investment often has a long pay-back period. SB 1049 would provide access to IRWM funding to offset the initial cost of the investment in energy efficient measures and modeling tools which would (i) encourage Water IOUs to seek out projects and regional partnerships that will reduce their energy use, which should have a corresponding reduction on customer bills over the long-term, (ii) offset the initial investment required by the water utility, thereby reducing the short-term ratepayer impact of the project or program, and (iii) encourage regional partnerships, which could help reduce the cost of projects for each individual utilities' ratepayers. It is for these reasons that we support your bill.

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