

CALIFORNIA MUNICIPAL UTILITIES ASSOCIATION

915 L STREET, SUITE 1460 • SACRAMENTO, CALIFORNIA 95814 (916) 326-5800 • (916) 326-5810 FAX • www.cmua.org

Sent via email: commentletters@waterboards.ca.gov

OFFICERS

President MICHELLE BERTOLINO

Roseville Electric Utility
Vice President

JOHN ROSSI Western Municipal Water District

> Secretary BRYAN GRIESS

Transmission Agency of Northern California

Treasurer TIM HAINES

State Water Contractors

General Counsel

LAURA LEWIS
Sacramento Municipal Utility District

July 28, 2016

Ms. Jeanine Townsend State Water Resources Control Board 1001 I Street, 24th Floor Sacramento, California 95814

Re: SWRCB Proposed Drinking Water Fee Regulations

Dear Ms. Townsend,

Public Comment Proposed Drinking Water Fee Regs Deadline:7/29/16 by 5:00pm



BOARD OF GOVERNORS

GIRISH BALACHANDRAN Riverside Public Utilities Department

BILL CARNAHAN

Southern California Public Power Authority

JONATHAN DALY

Corona Department of Water & Power

JORGE SOMOANO
Burbank Water & Power

MARCIE EDWARDS

Los Angeles Department of Water & Power

CASEY HASHIMOTO Turlock Irrigation District

PAUL HAUSER

Trinity Public Utilities District

RANDY HOWARD

Northern California Power Agency

KEVIN KELLEY

Imperial Irrigation District

JEFF KIGHTLINGER Metropolitan Water District of

Southern California

DUKKU LEEAnaheim Water & Power Department

GEORGE MORROW

Azusa Light & Water Department

ARLEN ORCHARD

Sacramento Municipal Utility District

JOHN ROUKEMA Santa Clara / Silicon Valley Power

GREG SALYER

Modesto Irrigation District

BARRY TIPPIN City of Redding

STEVE ZURN

Glendale Water & Power

MICHAEL BELL Interim Executive Director The California Municipal Utilities Association (CMUA), representing 40 public water agencies that serve over 70 percent of Californians, appreciates the opportunity to comment on the State Water Resources Control Board's (SWRCB) Proposed Modifications to the Drinking Water Fee Regulations (Proposed Modifications).

I. Proposed Modifications to Fee Schedule

CMUA firmly supports a fee schedule that fully funds the Drinking Water Program (Program). A robust Program is in the best interests of all Californians. CMUA appreciates the SWRCB's significant efforts to collaborate with stakeholders throughout the development of a fee schedule that achieves this objective along with providing for a structure that is fair, or equitable, easy to administer and implement, consistent with existing laws, and also flexible and able to adapt to changing regulations or budgets. We believe that the Proposed Modifications adhere to these principles that have been advanced by CMUA and others in the water community and we are pleased to support the proposal as outlined in the SWRCB's July 13, 2016 notice and revised regulations text.

II. Performance Metrics

CMUA continues to recommend that the SWRCB provide an accounting of staff time and resource allocations through the DART system including an annual accounting of hours spent in service to each water system. We respectfully request that this information be sent with that system's annual invoice along with a

Ms. Jeanine Townsend July 28, 2016 Page 2

description and an overview of the SWRCB's expenditures for activities that benefit all drinking water systems. A summary of this information should be made publicly available at least once a year. This process and information would benefit both the SWRCB and the water systems as it would allow the SWRCB to assess the Program's activities and effectiveness moving forward and provide fee payers with the data needed to assess their level of service.

III. Ensure Appropriate Reserves

As previously noted, we are supportive of the SWRCB's Proposed Modifications. As the fees are implemented, we continue to encourage the SWRCB to work with public water systems on an annual basis to carefully assess the appropriate level of reserves that will ensure an effective balance between fee authority and fiscal responsibility for both the state and the regulated community.

IV. Conclusion

Thank you for considering CMUA's comments and for engaging stakeholders throughout this process. We look forward to continued collaboration on this critical issue for the future of the Drinking Water Program. Please contact me at 916-326-5800 or dblacet@cmua.org should you have any questions.

Sincerely,

Danielle Blacet
Director for Water

Cc: Mr. Tom Howard, Executive Director

Mr. Eric Oppenheimer, Chief Deputy Director

Ms. Cindy Forbes, Deputy Director, Division of Drinking Water

Mr. John Russell, Deputy Director, Division of Administrative Services