

Water Affordability, Climate Change and Equity in California

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Ideas + Action
for a Better City

The Problem of Water Unaffordability

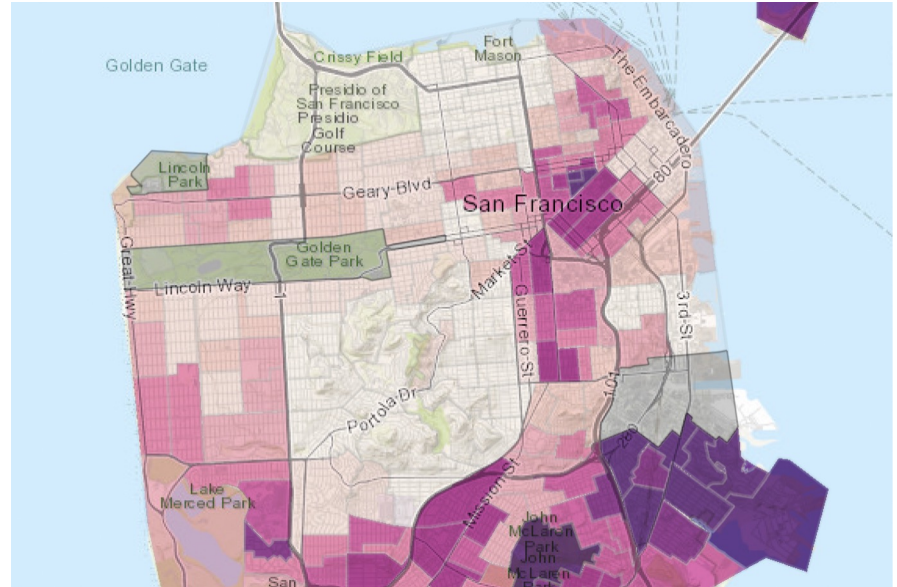
Who can't afford their water bill?

Water Shutoffs in San Francisco, 2016-17



Source: SFPUC, 2018

Socioeconomic Vulnerability, 2011



Source: OEHHA, 2021

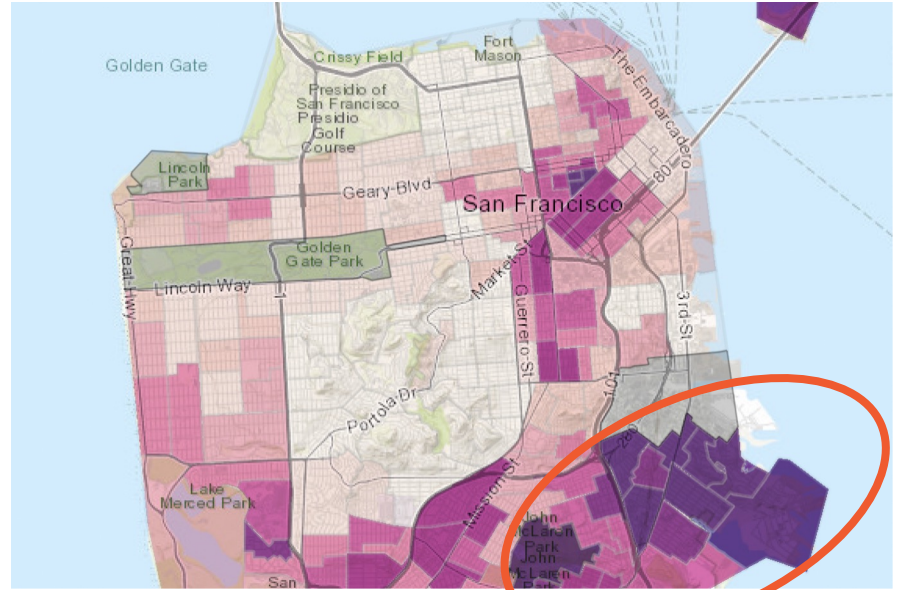
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Income Inequality in California

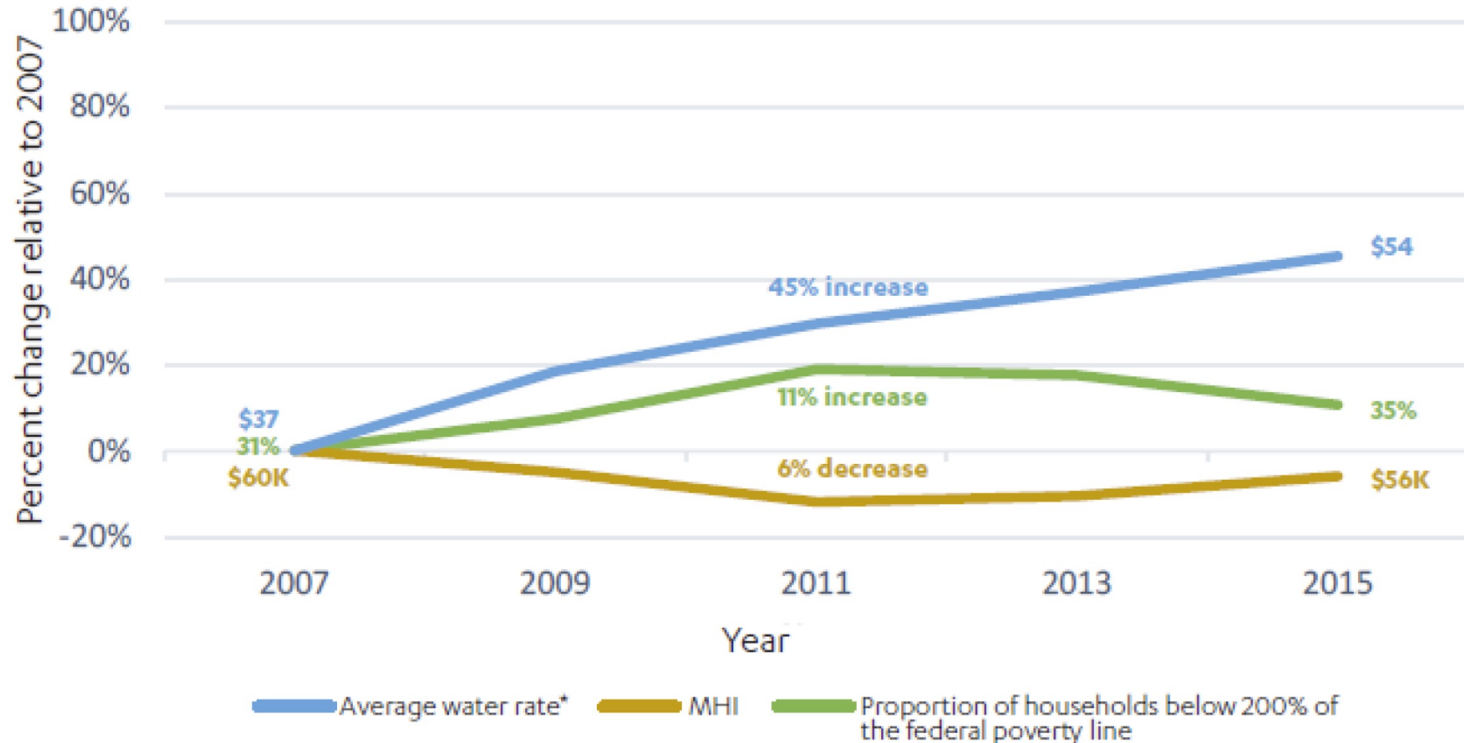


Over 3.3 million, or 1 in 3, households aren't paid enough to cover their basic needs.

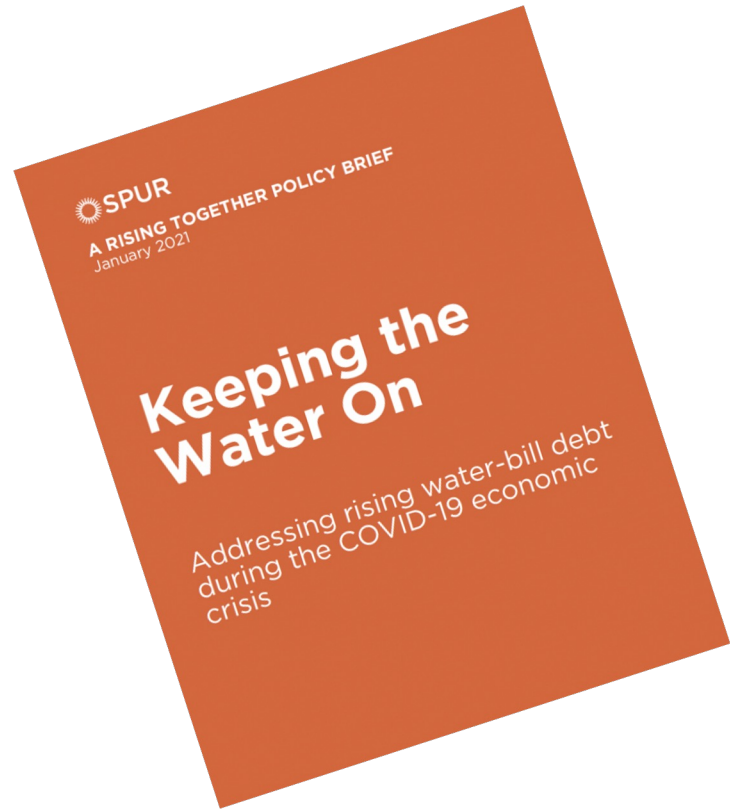
Native, Black and Latinx households twice as likely as white households to struggle to cover the cost of living.

Source: Insight Center, *The Cost of Being Californian*

Drinking Water Rates are Skyrocketing



Water Bill Assistance Programs Are Lacking



How many eligible customers do water bill assistance programs reach?

San Francisco PUC 1 in 17

East Bay MUD 1 in 5

San Jose Water 6 in 10

PG&E Energy Assistance 9 in 10

Barriers to Water Bill Assistance

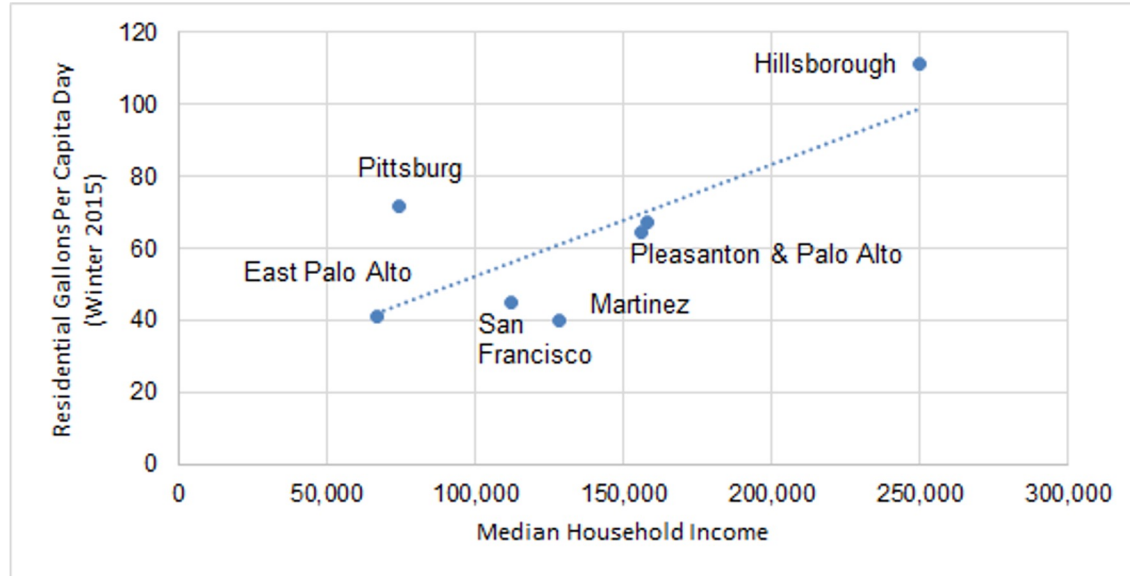
- History of inexpensive water & wastewater
- Traditional view that low-income bill assistance isn't a core part of public water system's mission
- Lack of an equity perspective on water affordability: water affordability and water conservation programs target the median-income customer
- **Proposition 218**

Disparities in Water Use By Race and Income

East Palo Alto



Hillsborough



Source: SPUR analysis of monthly Urban Water Conservation Reporting

In urban areas, low-income neighborhoods have 15% less tree cover, are 1.5 degrees celsius hotter, and are at risk of 1-4% higher mortality during heat waves.

Downtown
San José,
Santa Clara
County

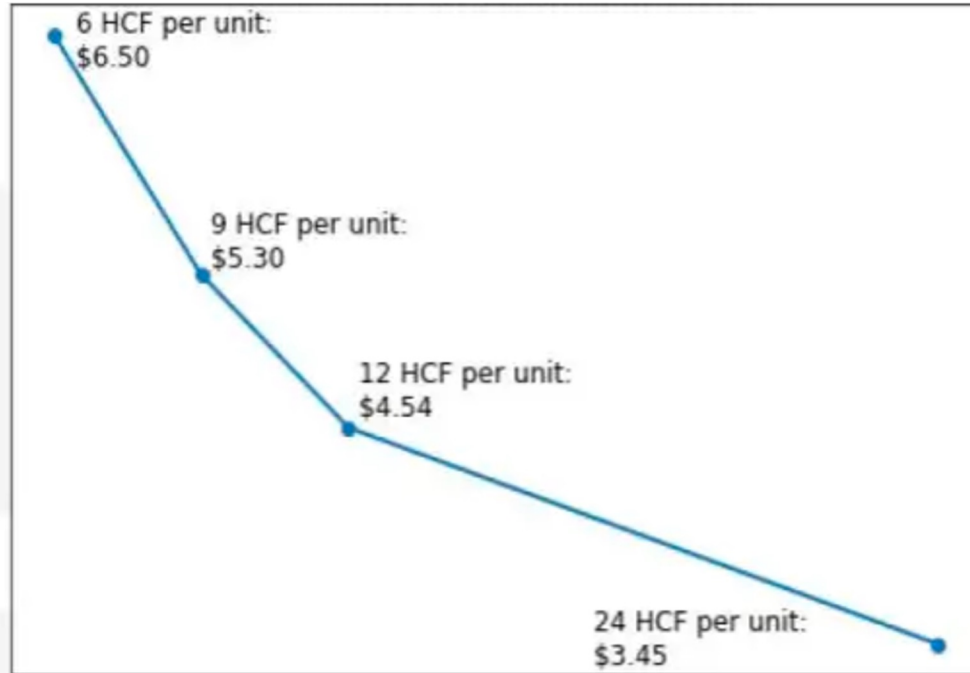


Atherton,
Santa Clara
County

Sources: SFEI and SPUR 2020, Smoyer 1998, Basu 2008, McDonald et al. 2021

Inequities built into rate structures

Per Hundred Cubic Feet (HCF), Statewide Median



Source: State Water Board, 2022

Water Efficiency and Urban Greening Programs Are Inaccessible to Low-Income and Renters

- Most offer after-market rebates, rather than free direct-install programs, upfront discounts (midstream or upstream rebates, pay-as-you-save programs)
- Require permission of property owner

The image displays three promotional banners for water efficiency programs. The first banner on the left is for the West Basin Municipal Water District's Grass Replacement Rebate Program, featuring a photograph of a landscaped yard with various plants and a blue water feature. The middle banner is for the Premium High-Efficiency Toilet Multi-Family Regional Pilot Program, showing a white toilet. The right banner is for the Tree Rebate Program, featuring a stylized green tree graphic and the text 'tree rebate program' in a white script font. The Pam Foley logo is visible in the top right corner of the right banner.

West Basin Municipal Water District
Grass Replacement Rebate Program

Receive \$3 per square foot of grass removed

To qualify, projects must replace grass with landscapes that include:

- Water-saving plants
- Upgraded irrigation systems
- Rainwater capture features

To learn more and check eligibility, visit:
westbasin.org/grass-replacement

or call the SoCalWater Smart program hotline
(888) 376-3314

PREMIUM HIGH-EFFICIENCY TOILET
MULTI-FAMILY REGIONAL PILOT PROGRAM

\$250 rebate
per toilet

- Premium high-efficiency toilet must be installed in apartments built **before 1994**
- Mandatory pre and post inspections

tree rebate program

APPLY NOW

LEARN MORE & APPLY HERE: www.tbw.org/Tree-Rebate

PAM FOLEY
CITY OF LOS ANGELES COUNCIL MEMBER

Policy Solutions

Direct-Install Programs

In 2022, coalition proposed \$200 Million Budget Allocation for free water efficiency upgrades for low-income households

- Program 1: Supplement the current CPUC Energy Saving Assistance Program (ESAP) to include more water-saving measures (\$150 million)
- Program 2: Establish a new grant program at DWR for direct install water efficiency programs carried out by local agencies and organizations (\$50 million)

Drought Resilience and Affordability

Serve over 200,000 income-qualified households with water efficiency upgrades

Save over 4.8 billion gallons of water per year

Reduce water/sewer bills for low-income households by nearly \$54 million per year, or \$200 per household.

Broad coalition of supporters including Community Water Center, SPUR, Mono Lake Committee & Pacific Institute



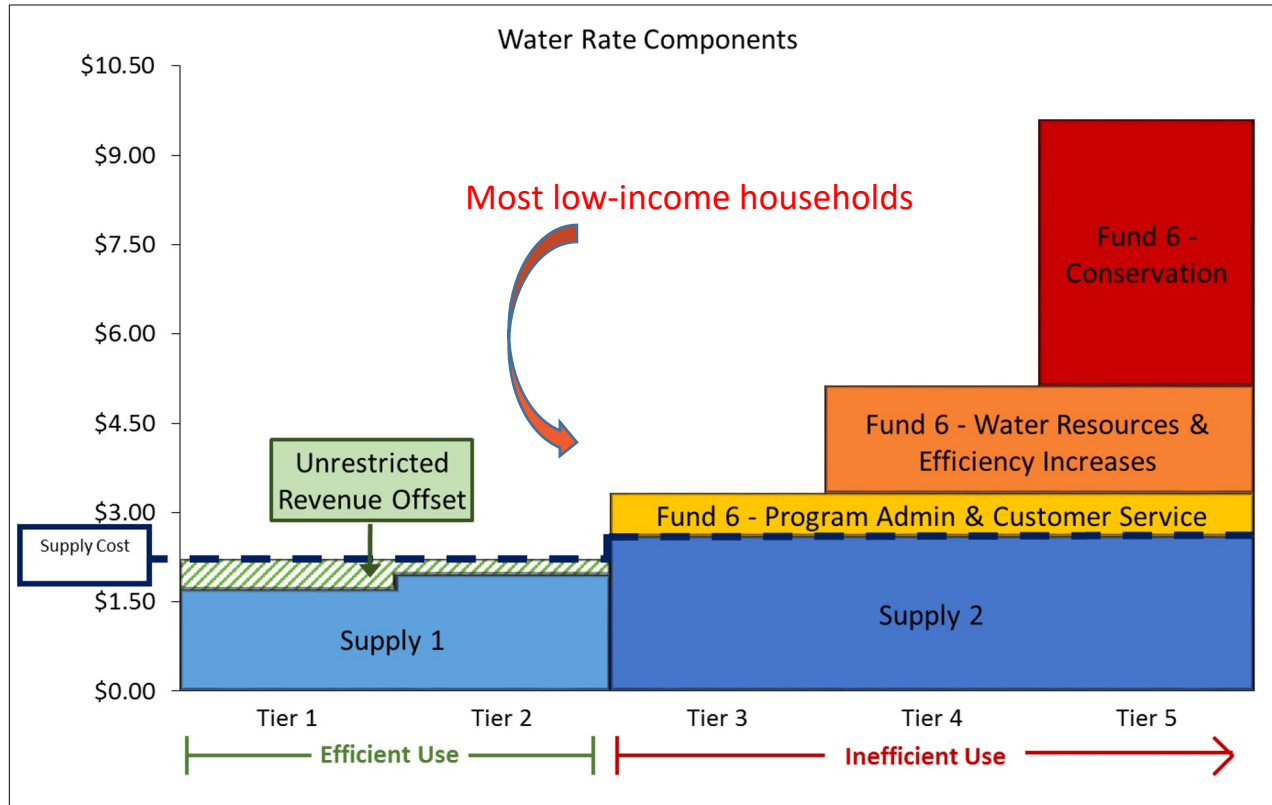
Statewide Water Bill Assistance Program

SB 222 last year - vetoed by Governor

Expected to return this year

**Coalition led by Community Water Center, Clean Water
Action, and Leadership Counsel for Justice and
Accountability**

Design Rates for Equity and Efficiency



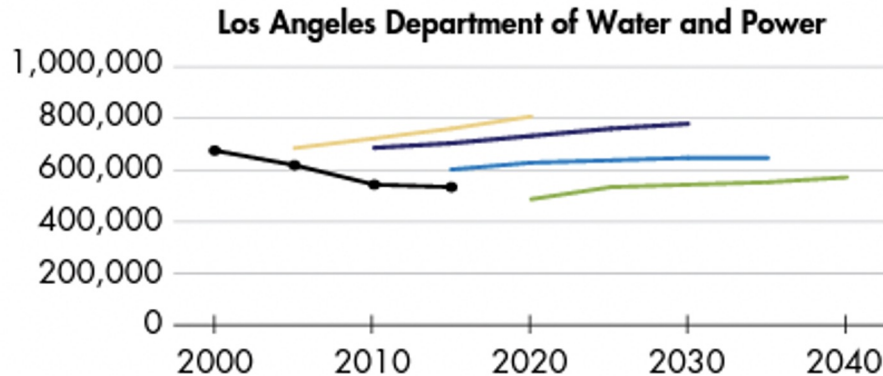
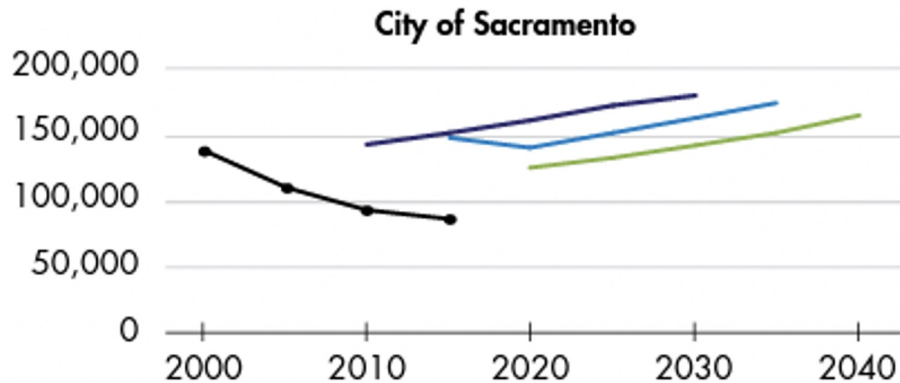
Source: Moulton Niguel Water District

Thank you

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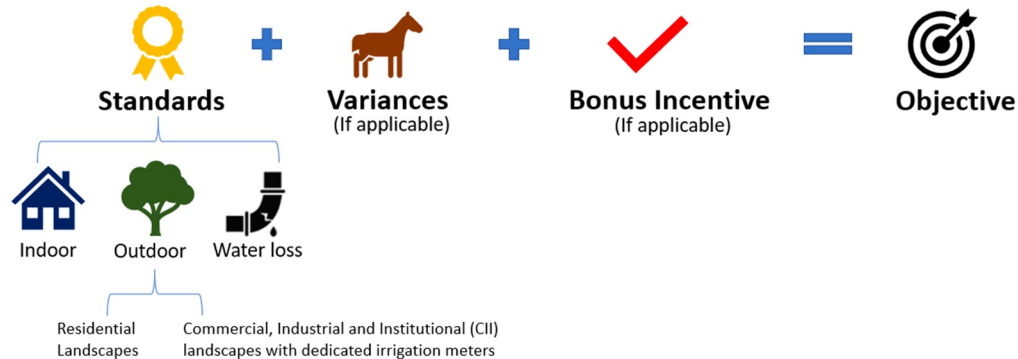


Overestimating Demand Leads to Unnecessary Investments in New Supplies



Set Urban Water Conservation Targets that Reflect Trends Towards Declining Water Use

- Data-Driven Implementation of Making Conservation a California Way of Life
- Set indoor commercial sector water standards



Unjust
Outcomes

Unaffordable Water for Low-Income Households

Rising Water Rates **Low Water Users Subsidizing Big Water Users**

Inefficient Homes **Brown Neighborhoods** **Customer Debt & Shutoffs**

State and Local
Policy Choices

Overestimating Demand **Overbuilding Expensive New Supplies** **Regressive Rate Structures**

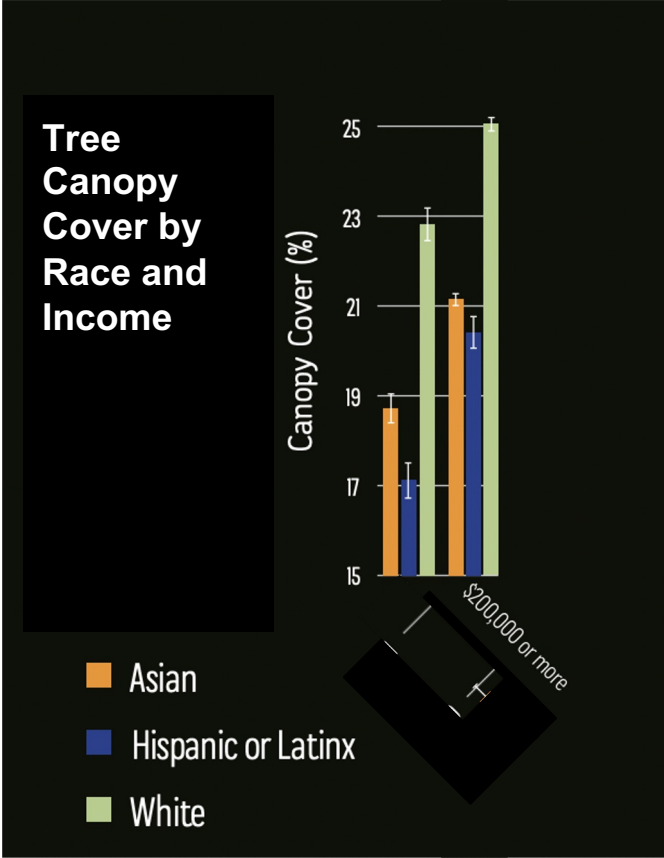
Programs Inaccessible to Low-Income Households **Insufficient Low-Income Bill Assistance**

Drivers

Climate Change **Declining Federal \$** **Aging Infrastructure**

Emerging Contaminants **Rising Income Inequality**

Communities of Color Have Less Tree Canopy



Water is a Human Right

“Every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.”

The “sanitary revolution” - clean drinking water and wastewater treatment - is the greatest medical advance of the past two centuries. *Source: BMJ Journal, 2007*

Lack of water is cause for eviction and loss of child custody.

Budget Based Rates Are A Promising Option

Three types of water rates:

- **Flat Rates**



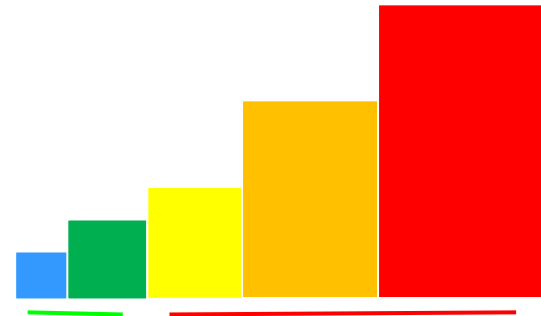
"Most Regressive"

- **Fixed Tier Rates**



"Less Regressive"

- **Budget-Based Rates**



Water Rate Tiers based on efficient water allocations

Blue: Indoor water use

Green: Outdoor water use

Yellow, Orange, & Red: Excessive Water Use

"Least Regressive"