WEBVTT

1
00:00:00.000 --> 00:00:00.970
One more good to get.

2
00:00:03.260 --> 00:00:06.359
Sarah Harper (SPUR): All right. Hi, everyone! Welcome!

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00:00:06.500 --> 00:00:15.669
Sarah Harper (SPUR): Add to this symposium, Webinar. My name is Sarah Harper, and I am Spurs sustainability and resilience policy associate.

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00:00:15.700 --> 00:00:34.209
Sarah Harper (SPUR): Thank you so much for joining us on this digital discourse today. Many of you here are spur members. So we would like to thank you so much for your support, and if you are not a member, i'd encourage you to join to support for us ongoing work. We use education, policy, analysis.

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00:00:34.220 --> 00:00:47.299
Sarah Harper (SPUR): an advocacy to make our cities and regions more prosperous, sustainable, and equitable places to live. Your financial support enables us to continue our work, including the hosting of programs like today's.

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00:00:47.310 --> 00:00:54.620
Sarah Harper (SPUR): You'll find more information about membership online@spur.com

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00:00:54.770 --> 00:01:00.069
and we'd also like to especially thank San Jose Water for sponsoring today's event

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00:01:00.150 --> 00:01:11.550
Sarah Harper (SPUR): on that note. Our next digital discourse is scheduled for next Wednesday at 1230 Pm. And it's new ideas for regional planning in California

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00:01:11.610 --> 00:01:26.119
Sarah Harper (SPUR): come here. The architects of new ideas discuss the state of regional planning in California today and learn what else is needed to fully tackle the interconnected demands facing metropolitan regions.

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00:01:26.190 --> 00:01:33.350
now moving into today's digital discourse, which is titled Water Equity affordability and climate change.

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00:01:33.410 --> 00:01:51.820
Sarah Harper (SPUR): The topic is as california's drought continues to worsen residents across the street across the State are facing water. Affordability crisis are facing a water affordability crisis. Water rate increases, for Californians are expected to accelerate

12
00:01:51.830 --> 00:02:09.109
Sarah Harper (SPUR): as the climate continues to change, and the State's infrastructure continues to age further burdening low income communities. But that outcome isn't, inevitable. Today we're going to be talking about ways to curb water rate increases and mitigate the disproportionate impacts

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00:02:09.120 --> 00:02:25.590
Sarah Harper (SPUR): on low income customers, including greater water efficiency, better long term planning, and more equitable rate. Structures. We have 2 speakers today that I am going to introduce. Welcome Heather Cooley and Laura Feinstein.

14
00:02:25.620 --> 00:02:31.229
Heather is the director of Research at the Pacific Institute.

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00:02:31.260 --> 00:02:39.339
Sarah Harper (SPUR): In that role. She oversees research on water efficiency and reuse nature, based solutions and water and climate, equity.

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00:02:39.480 --> 00:02:58.180
Sarah Harper (SPUR): Heather received a. Bs in molecular environmental biology and a master's degree in energy and resources from the University of California. Berkeley. A welcome heather. We're really excited to have you today, and then we also have Laura Feinstein, who is a spur

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00:02:58.190 --> 00:03:16.899
Sarah Harper (SPUR): seasoned alum here. Laura Feinstein is the sustainability and resilience Policy director at Spur the Bay area policy think Tank that's hosting this event Laura leads spurs, work on climate, mitigation, adaptation, and environmental justice.

18
00:03:16.910 --> 00:03:36.720
Sarah Harper (SPUR): Previously she worked as a senior recent researcher at the Pacific Institute, a research scientist and project manager at California Council on Science and Technology, and as a fellow with the California Senate Committee on Environmental quality, she holds a BA. From Uc. Berkeley and Anthropology, and a. Ph. D. From Uc. Davis

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00:03:36.730 --> 00:03:47.149
Sarah Harper (SPUR): in Ecology. And with that i'd like to turn it over to Heather and Laura to kick off the content of today's event. Welcome and thank you so much for joining.

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00:03:50.990 --> 00:03:58.409
Heather Cooley: Thank you. It's great great to be here. I'll just go ahead and just take a moment to share my slides. If you'll just give me a second.

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00:04:07.340 --> 00:04:09.230
Heather Cooley: Okay, Can you see those? Okay?

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00:04:11.310 --> 00:04:19.390
Heather Cooley: Yes, we could see them

23
00:04:19.459 --> 00:04:25.440
Heather Cooley: the opportunity for water efficiency as a as a mechanism for improving affordability.

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00:04:26.390 --> 00:04:30.819
Heather Cooley: I'll. I'll talk a bit about some of the current trends we see with

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00:04:30.840 --> 00:04:48.149
water and waste and sewer rates, as well as with urban water use. I'll then talk a little bit about the immediate effects of water efficiency on water costs for households, particularly for conserving households, and then, on the longer term effect of water efficiency on water costs.

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00:04:48.160 --> 00:04:54.839
Heather Cooley: I'll then touch a bit on equity considerations, and then provide some key takeaways and recommendations.

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00:04:57.750 --> 00:05:09.490
Heather Cooley: This figure is showing water and sewer rates compared with other utilities across the Us. And and what it shows here in blue. This is the the water and sewer rates

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00:05:09.510 --> 00:05:15.310
is that water and sewer rates are rising faster than inflation, and all other utilities.

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00:05:15.340 --> 00:05:30.739
Heather Cooley: This is anticipated to continue to increase in part because of deferred maintenance, but also a variety of other factors, including the fact that new supplies are increasingly expensive. We're dealing with climate change impacts.

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00:05:30.750 --> 00:05:37.289
Heather Cooley: And so this is putting pressure and additional burden on lower income households. And again, those those

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00:05:37.570 --> 00:05:40.510
pressures are expected to intensify.

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00:05:42.060 --> 00:06:00.840
Heather Cooley: Yet at the same time we're seeing reductions in in water use. This figure is showing water. Use urban water. Use between 1960 out through 2,018, which is the most recent year for which data are available. The blue bars are urban water. Use.

33
00:06:00.850 --> 00:06:18.110
Heather Cooley: The orange is per capita water use, and, as you can see, per capita water. Use peaked in and around 2,000. 2,003. And since that time we've seen a pretty dramatic reduction in that in that per capita, use water, use per person.

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00:06:18.200 --> 00:06:36.320
Heather Cooley: In addition, we've seen a reduction in water use. Even as population has grown. We've we've done what's what is referred to as sort of a decoupling of water using growth which has been a significant shift, particularly since in and around 2,007.

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00:06:37.010 --> 00:06:59.269
So the what I'm going to do is talk a little bit about what this means with respect to water costs what? What is the impact or the immediate effect of water efficiency on water costs for

conserving households, and and i'm pulling this from a recent report that Civic Institute put out. I'll provide some links at the end. If you're interested in in reading more of that.

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00:07:01.760 --> 00:07:17.969
Heather Cooley: What we did and what I show here are the the effect of water efficiency measures on utility costs, on Utility Bill, and in particular we look at impacts on water and on waste water bills, but also on Energy Bill.

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00:07:18.100 --> 00:07:36.150
Heather Cooley: This this example here is for high efficiency toilets. Those are estimated depending on the on the toilet that you're replacing about 3,400 gallons to about 12,000 gallons savings, and that's a reduction in both water and waste water generated.

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00:07:36.190 --> 00:07:48.739
Using a national average rates. We estimate that those devices can reduce household water bills by about 44 up to a $156 per month.

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00:07:48.830 --> 00:07:56.499
Heather Cooley: so they can provide significant savings, and that's as a result of reductions in water bills as well as in waste water bills.

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00:07:58.220 --> 00:08:13.480
Heather Cooley: high efficiency shower heads similarly save water and reduce waste water production. They also, because what what you're saving is hot water. They can produce significant energy Savings either enter either electricity or natural gas.

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00:08:13.490 --> 00:08:25.090
Heather Cooley: and what we find is with efficient shower heads. Those can, you know, fairly inexpensive device, can provide savings on the order of $65 per per year.

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00:08:26.160 --> 00:08:56.140
Heather Cooley: One of the things I think interesting to note is the energy savings represent about half of those savings, and this is based on energy costs. Sort of. Again, national average energy costs in California are much higher. And so for a California household we can see even greater potential for savings. But again, a really important point is that for some of these devices, particularly for those devices that are inside the home and are saving hot water. There can be significant savings on that.

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00:08:56.150 --> 00:08:59.270
The energy bill, in addition to the water and waste water bill.

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00:09:00.240 --> 00:09:13.259
Finally, a high efficiency. Close washers again Savings vary, depending on what you're replacing anywhere from 7,600 to 10,600 gallons per year.

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00:09:13.310 --> 00:09:25.389
and the cost savings range anywhere from about 130 to almost a $190. So again, significant cost savings spread out what among water, waste water, and energy.

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00:09:26.100 --> 00:09:42.339
Heather Cooley: And finally, for those homes that have turf replacement of that turf with low water. Use plants. If if you replace about a 1,000 square feet that can reduce water use by about 36,000 gallons per year, so very significant savings.

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00:09:42.350 --> 00:09:49.850
and you can see bill savings only water savings in this instance, but over $200 per year.

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00:09:50.190 --> 00:10:01.740
Heather Cooley: So overall we find that water efficiency can can significantly reduce household water costs waste water costs, and in some instances energy costs as well.

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00:10:03.480 --> 00:10:18.800
Heather Cooley: So we've talked a little bit about sort of the immediate effect and focusing in on the conserving household. But what we also wanted to explore was what the a longer term effect of water efficiency was on water costs, and and i'll talk a little bit about what we found there.

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00:10:19.710 --> 00:10:34.600
Heather Cooley: I wanna highlight, and I. I talked at the beginning about the trend. The declining water use. Those were statewide numbers. We also see declining water use, and other areas as well. And this figure, for example, shows the city of Los Angeles.

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00:10:34.610 --> 00:10:51.599
Heather Cooley: Los Angeles the the the sort of blue bars there show water demand the line up across the top shows population in millions, and what we see in Los Angeles is as an example that we see this in in other major metropolitan areas.

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00:10:51.610 --> 00:11:08.330
Heather Cooley: We see that even as they added population in this case over 1.2 million people, they were able to continue to reduce water use. And, in fact, today they're using less water than they were in 1,970, despite significant population and economic growth.

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00:11:10.820 --> 00:11:28.540
Heather Cooley: And I want to talk a little bit about sort of what that then means for the cost of water. There was a study that came out in 2,018 again. That looks specifically at Los Angeles they found that per capita water use declined from about 180 gallons per person per day in 1,990

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00:11:28.550 --> 00:11:45.160
Heather Cooley: to a 110 gallons per per person per day in 2,016, so over that 26 year, period, a pretty significant reduction. That was the period they looked at, even though, as I noted previously, those efficiency savings have been happening for 50 years now.

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00:11:45.190 --> 00:12:04.629
Heather Cooley: or or Excuse me, Yes, 50 years the if what they found in this study again specific for Los Angeles was that those efficiency improvements avoided about 9 and a half 1 billiondollars in capital costs, and 1.6 million in operation and maintenance cost for the water system alone.

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00:12:04.640 --> 00:12:08.670
That represents a total savings of more than 11 billiondollars.

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00:12:08.680 --> 00:12:26.169
Heather Cooley: The reason for that is because they didn't have to go and buy new or or build new water supply and treatment infrastructure. They were able to defer, or in some cases completely eliminate, the need for some of those investments. And again, a significant savings

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00:12:26.180 --> 00:12:30.220
Heather Cooley: of 11 billiondollars over that 26 year period.

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00:12:30.870 --> 00:12:48.510
Heather Cooley: They also looked at and found that if Angelina had not conserved water, then their water bills would be more than 36% higher. So again. This is looking at the fact that because of their conservation efforts they were able to reduce the need for some of those bill savings.

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00:12:48.710 --> 00:13:09.810
Heather Cooley: The study did not look at wastewater systems. However, they, the study, did point to the fact that they that they previous studies had found a comparable cost savings because of the reduction in the amount of waste water that was generated, and again, that enabled them not to develop new waste water treatment, infrastructure, so significant savings in Los Angeles.

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00:13:10.720 --> 00:13:17.900
Heather Cooley: and those savings was avoided costs aren't unique to Los Angeles. In fact, we see them in many other areas.

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00:13:17.910 --> 00:13:32.570
There's been several studies that have been developed that looks specifically at this issue for communities across the Western us. A lot of these, these, these these works were supported by the All alliance for water efficiency, which is done a ton of great work on this topic.

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00:13:32.580 --> 00:13:48.309
Heather Cooley: but looking specifically at Westminster, which is a community just outside of Denver. Here, too, they found significant reductions in per capita water use in this case, avoiding almost 600 milliondollars in capital costs

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00:13:48.320 --> 00:13:55.169
Heather Cooley: over that 30 year period, reducing om cost by about 1.2 million dollars per year.

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00:13:55.480 --> 00:14:14.110
Heather Cooley: and in this case what they found, if they had not conserved their water bills would have been 91% higher, and their their water connection fees would have been 80% higher. So significant savings in avoided costs on the on their water waste water bills and on their connection fees.

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00:14:15.460 --> 00:14:32.870
Heather Cooley: Tucson Water, again, is another example. We can look to seeing significant reductions in their per capita usage, avoiding, you know hundreds of millions of dollars in capital costs tens of millions in their in their operation, and maintenance costs annually.

67
00:14:32.880 --> 00:14:39.549
and reducing water bills again. If they hadn't conserved, they would have their bills would have been 13% higher.

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00:14:40.860 --> 00:15:00.589
Heather Cooley: Similar story in Gilbert. That's a community, and also in Arizona. If they had not conserved, they would have seen higher bills again 6% higher. In that case, an 82% higher in in their connection fees. So we see examples across across the western us of the

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00:15:00.600 --> 00:15:03.450
Heather Cooley: the avoided cost of efficiency.

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00:15:04.770 --> 00:15:08.090
I want to switch gears a little bit and talk about, You know.

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00:15:08.240 --> 00:15:27.269
Heather Cooley: You know I've I've demonstrated the opportunities and the potential for efficiency to reduce those. Avoid, you know, to avoid cost because of either deferred or limp, or or delaying or eliminating the need for new infrastructure, a key component of realizing that potential benefit is

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00:15:27.280 --> 00:15:31.669
accurately planning for those reductions in demand

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00:15:31.680 --> 00:15:48.630
Heather Cooley: and some previous work that we've done. Looked at water demand forecasts. I looked at 10 of the largest utilities in California. I'm. Only showing 4 here. But again, if you're interested, provided some some references to the to the study.

74
00:15:48.640 --> 00:16:07.480
Heather Cooley: and what we find is that when water utilities are projecting their future demand, they routinely overestimate their demand in part, because they're not integrating efficiency improvements into the effectively into those into those demand forecasts.

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00:16:07.490 --> 00:16:24.680
Heather Cooley: So because of this, they are planning for a future of much higher water use. When, in fact, what we've seen. Again, you can see that in each of these communities, in this dark line, and all of these communities demand has been either flat or declining.

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00:16:24.690 --> 00:16:35.709

Heather Cooley: and again their projections here projections made in 4,005, 2,000. 12,015All of them are projecting increases in demand.

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00:16:36.160 --> 00:16:44.010
Heather Cooley: So, in order to actually avoid those costs, those those water supply and treatment costs, we need to adequately

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00:16:44.120 --> 00:16:55.740
Heather Cooley: plan for that, and integrate that into our demand forecast. So I think an important consideration when we're developing efficiency, but also in our planning

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00:16:57.610 --> 00:17:16.770
Heather Cooley: another key issue and consideration. Some of the equity is is looking at who can actually access efficiency programs. So we've demonstrated that efficiency can help to reduce community water costs because it avoids the needs for new supply and treatment. Infrastructure and the greatest savings are for those conserving households.

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00:17:16.880 --> 00:17:31.839
Heather Cooley: However, most efficiency programs tend to target single family households. Many are not available to multi family households and to renters, and that those are typically where more low income residents will will live.

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00:17:32.350 --> 00:17:44.750
Heather Cooley: In addition, most efficiency programs are tend to be structured around providing rebates to customers, and the way it rebates work is that the customer would go and buy the more efficient device.

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00:17:44.760 --> 00:17:54.139
they would then install it or have it installed. And then, several weeks months later, they then get a get, a rebate check from the utility.

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00:17:54.250 --> 00:18:12.630
Heather Cooley: That model doesn't work very well for low income households, because they're not able to necessarily afford that new device, and the higher cost for the more for the efficiency for the more efficient device. So the the structure of the rebate programs in many cases precludes

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00:18:12.640 --> 00:18:30.409

Heather Cooley: the participation from some low of of low income households. And so, as we think about sort of equity, needs and considerations, we need to be better designing programs, so that all customers, and especially low income customers can participate and benefit from these programs.

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00:18:31.930 --> 00:18:51.790
Heather Cooley: So I just wanna kind of summarize some of the key takeaways first, that water and sewer rates are rising faster than inflation and all other utility rates, and that's adding to the struggle for paying paying for water and sewer bills. Water efficiency, however, can immediately cut household utility costs

86
00:18:51.800 --> 00:19:04.300
water, waste water, and even energy costs by hundreds of dollars annually, and this can help to reduce the financial burden of the rising water sewer and energy costs that those that those households are facing

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00:19:05.190 --> 00:19:16.950
Heather Cooley: water. Efficiency also reduces the need for expensive new water and waste water infrastructure which can save communities, millions, and in some instances billions of dollars in capital and operating costs.

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00:19:17.160 --> 00:19:22.620
Heather Cooley: Realizing those benefits, however, requires good planning and forecasting.

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00:19:22.800 --> 00:19:31.810
And then, finally, there's a major equity issue in that as low incomes face barriers to accessing the water efficiency programs.

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00:19:32.760 --> 00:19:51.069
Heather Cooley: So i'll end with just a few recommendations. First of all, we need to increase investments in water efficiency. It's the cheapest, fastest way to meet our water needs. This can help to delay or eliminate the need for new expensive water supply and treatment infrastructure.

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00:19:51.720 --> 00:20:01.479
Heather Cooley: In addition, we need to be improving our demand, forecasting and our planning, so that we actually avoid building a necessary and cost costly infrastructure.

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00:20:02.610 --> 00:20:19.039

Heather Cooley: Third, we need to improve communications and outreach about the avoided cost of water efficiency improvements, agencies can and should be doing these studies to understand what their avoided costs are, and then communicating that out to customers.

93
00:20:19.300 --> 00:20:38.669
Heather Cooley: And finally, we need to target and design water efficiency programs for those in lower income households. That's an important equity, consideration, and one in which we need to ensure. They're able to fully realize the benefits of conservation through the lower water waste water and energy bills.

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00:20:41.230 --> 00:20:53.830
Heather Cooley: So I want to thank you. And if you're interested in learning more about some of the the studies that I've talked about, or some of our other work. Please do visit our website. We we make all of those studies available at no cost. And thank you.

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00:20:59.160 --> 00:21:13.839
Sarah Harper (SPUR): Thank you so much heather that was fantastic, and really looking forward to the question and answer session with you at the end of Laura's talk, and on that i'll introduce Laura Feinstein with with her talk. Thanks so much.

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00:21:16.700 --> 00:21:27.089
Laura Feinstein (SPUR): thank you, and thanks, Heather for team, all of that up. I'm going to be sort of expanding on a lot of heather's ideas. So give me a sec to share my screen here.

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00:21:31.940 --> 00:21:34.279
Laura Feinstein (SPUR): All right. Is everybody seeing my slides?

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00:21:35.800 --> 00:21:36.390
Sarah Harper (SPUR): Yes.

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00:21:36.540 --> 00:21:45.079
Laura Feinstein (SPUR): okay, okay. So i'm going to be talking about water affordability, and how it links to climate change and equity in California.

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00:21:48.320 --> 00:21:52.560
Laura Feinstein (SPUR): Well, Powerpoint got very excited about advancing there. Hold on 1 s.

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00:22:01.910 --> 00:22:06.010
Laura Feinstein (SPUR): So first up is the problem of water and affordability.

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00:22:06.710 --> 00:22:16.859
Laura Feinstein (SPUR): So the first question to tackle here is, who has trouble affording their water bill? And you know. We know that, for example.

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00:22:17.070 --> 00:22:29.939
Laura Feinstein (SPUR): in Los Angeles there was an analysis done at the beginning of Covid, at who was accumulating the most debt on their water bills, and it clustered in low-income neighborhoods and communities of color.

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00:22:29.950 --> 00:22:42.499
Laura Feinstein (SPUR): And we can also sort of trace back who has trouble affording their water bill by where water shut offs occur. So this is when people have their water shut off because they haven't paid their bill in a certain period of time.

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00:22:42.820 --> 00:22:52.800
Laura Feinstein (SPUR): and water shut offs are complicated. Sometimes a building can have its water shed off because they forgot to pay. It was a vacation home. They didn't see the bills.

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00:22:53.100 --> 00:23:07.870
Laura Feinstein (SPUR): but we also know that a lot of the time when people fail to pay their water bill. It's simply because they have trouble affording it, and the reason we know that is because when we look at shut offs, they do again cluster in low income neighborhoods and communities of color.

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00:23:08.070 --> 00:23:21.890
Laura Feinstein (SPUR): They want to applaud San Francisco Public Utilities Commission, which has really leaned into these questions of shut offs and affordability and equity? And did an analysis of where shut offs occurred in their city.

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00:23:21.910 --> 00:23:23.829
Laura Feinstein (SPUR): and found.

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00:23:24.190 --> 00:23:35.899

Laura Feinstein (SPUR): as you can see, that there's they've mapped all the shut offs with these larger dots, being buildings that were shut off multiple times. Laura. Sorry your slides Aren't, showing anymore.

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00:23:39.150 --> 00:23:40.979
Laura Feinstein (SPUR): Thank you for letting me now.

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00:23:42.010 --> 00:23:42.820
Laura Feinstein (SPUR): Okay.

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00:23:43.440 --> 00:23:44.749
Laura Feinstein (SPUR): now, are you with me?

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00:23:46.600 --> 00:23:54.080
Heather Cooley: Yes, thank you. Thank you. Okay. Thank you for stopping me, because I want you to be able to see these maps. So

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00:23:54.310 --> 00:24:03.939
Laura Feinstein (SPUR): they were able to show where the disconnections occurred in a in a one year in their city, but the larger dots being homes that were shut off more than one time.

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00:24:03.950 --> 00:24:31.350
Laura Feinstein (SPUR): and you can take a look at sort of socioeconomic vulnerability in San Francisco as well. This is compiled by office of environmental health, hazard assessment as this integrated measure of things like low income high proportion of people of color, etc., and you could see that the areas in San Francisco maps as having the highest socioeconomic vulnerability are largely here in this sort of southeast area

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00:24:31.360 --> 00:24:34.880
Laura Feinstein (SPUR): around Bayview Hunters Point in neighborhoods around there.

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00:24:35.300 --> 00:24:36.300
Laura Feinstein (SPUR): and

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00:24:36.710 --> 00:24:42.380
Laura Feinstein (SPUR): it turns out rather unsurprisingly that that the shut offs

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00:24:42.390 --> 00:24:56.799
Laura Feinstein (SPUR): clustered disproportionately in the most socio-economically vulnerable neighborhoods of the city, indicating that this is not just an issue of people forgetting to pay their water bill. It really is the people who are already most vulnerable that do struggle to pay it.

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00:24:58.010 --> 00:25:08.950
Laura Feinstein (SPUR): So why is this a problem? Because historically, water has not been all that expensive? In fact, when you compare it to things like housing or energy or health care

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00:25:08.960 --> 00:25:19.139
Laura Feinstein (SPUR): mit ctl and water is the least expensive essential need. It usually ranges somewhere between 100 $200 a month if you roll in water with waste water.

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00:25:19.300 --> 00:25:38.320
Laura Feinstein (SPUR): But the problem isn't so much that water is expensive. The problem is really that there's such severe income inequality in California. So many people in the State struggle to meet their basic expenses every month that that 100 or $200. Bill is too much

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00:25:38.380 --> 00:25:52.080
Laura Feinstein (SPUR): So what are some of the numbers on this? Well, over 3.3 million or one, and 3 households in the State are not paid enough to cover the basic needs and the cost of this basic needs in their area.

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00:25:52.520 --> 00:25:57.280
Laura Feinstein (SPUR): And this disproportionately impacts native, black and Latin next households

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00:25:57.300 --> 00:26:02.739
Laura Feinstein (SPUR): who are twice as likely as white households to struggle to cover the local cost of living.

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00:26:03.170 --> 00:26:04.599
Laura Feinstein (SPUR): and

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00:26:08.640 --> 00:26:27.019
Laura Feinstein (SPUR): and against this backdrop of a a large share of the State of California, struggling to pay for their monthly expenses. We see at the same time these dramatic increases in

water rates and heather showed this really effectively, of course, that water rates are going up faster than other utility bills.

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00:26:27.100 --> 00:26:40.539
Laura Feinstein (SPUR): This is a really interesting comparison that the State Water board did. They showed that from 2,007 to 2,015 on average water rates in California went up by 45

129
00:26:40.870 --> 00:26:49.830
Laura Feinstein (SPUR): and in that same time period the share of households living below the poverty line increased.

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00:26:49.950 --> 00:26:53.219
Laura Feinstein (SPUR): and the Median household income for the State decreased.

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00:26:56.500 --> 00:27:11.549
Laura Feinstein (SPUR): and a further kind of angle or added challenge in affordability is that the Water Bill assistance programs that are available for low income households have a lot of lot of challenges and limitations.

132
00:27:11.560 --> 00:27:17.970
One of the major ones is that they tend to not reach very many of the eligible customers.

133
00:27:18.050 --> 00:27:37.210
Laura Feinstein (SPUR): So we just took a closer look at this, just for the 3 big cities in the bay area. We found that Sfp. You see, at the time, I believe this has improved since then, was reaching one in 17 of the customers that were eligible for Water Bill Assistance East Bay mud was one in 5,

134
00:27:37.220 --> 00:27:39.730
Laura Feinstein (SPUR): and San Jose water was 6 and 10.

135
00:27:40.150 --> 00:27:53.329
Laura Feinstein (SPUR): We'll get into. Why it is that San Jose water is a little different, but just for reference. San Jose water is is a investor-owned utility, and it has some different regulations around Water Bill assistance.

136
00:27:53.780 --> 00:27:54.650

Laura Feinstein (SPUR): So

137
00:27:54.740 --> 00:28:11.479
Laura Feinstein (SPUR): we have these sort of low penetration rates for Water Bill assistance programs. And yet we know that there is demand for Utility bill assistance, because in the same area Pg. And E. Is offering energy assistance, and it's reaching 9 and 10 low-income customers, One

138
00:28:11.490 --> 00:28:16.869
Laura Feinstein (SPUR): so people are interested in getting discounts on their bills, and they will sign up for them

139
00:28:17.160 --> 00:28:18.500
Laura Feinstein (SPUR): if they have

140
00:28:18.790 --> 00:28:20.399
Laura Feinstein (SPUR): the opportunity to.

141
00:28:22.220 --> 00:28:25.579
Laura Feinstein (SPUR): So what are some of these barriers to Water Bill assistance.

142
00:28:25.640 --> 00:28:31.830
Laura Feinstein (SPUR): Well, one is that there's been this sort of history of inexpensive water and waste water, and so the

143
00:28:31.870 --> 00:28:37.809
Laura Feinstein (SPUR): issue of water affordability. Hasn't really reached ahead until more recently in water.

144
00:28:37.820 --> 00:28:54.759
Laura Feinstein (SPUR): When you compare that, for example, to energy, it was really in the 1970 s that affordability problems came front and center during the energy crisis, and there was a widespread realization among Federal policymakers, state policymakers and the energy utilities

145
00:28:54.770 --> 00:29:00.060
Laura Feinstein (SPUR): that they needed to have programs in place to allow people to keep their energy on year round.

146
00:29:00.420 --> 00:29:06.350
Laura Feinstein (SPUR): I would say that that sort of moment is kind of coming for water.

147
00:29:06.510 --> 00:29:18.499
Laura Feinstein (SPUR): and there's also quite frankly, because of that. There, Just Hasn't really been a traditional view in the water sector. That low Income Bill assistance is a core part of Water Systems Mission.

148
00:29:18.600 --> 00:29:20.300
Laura Feinstein (SPUR): you know it's Say, if you ask

149
00:29:20.330 --> 00:29:36.410
Laura Feinstein (SPUR): the typical water system, not all of them what their mission is. They're going to largely tell you it's to deliver safe drinking water to every home, and that doesn't that necessarily hasn't been expanded to include, making sure that every home can afford that safe drinking water.

150
00:29:37.020 --> 00:29:56.690
Laura Feinstein (SPUR): There's also been a lack of an equity, perspective on affordability and water in particular. When you look at how water affordability has been commonly measured it the metric is usually is. There is water affordable for the median income household in the service area.

151
00:29:56.770 --> 00:30:09.240
Laura Feinstein (SPUR): So there hasn't been that kind of disentangling or the disaggregating to look specifically at? Is it affordable to low income households which are quite different in their capacity to pay?

152
00:30:09.680 --> 00:30:22.069
Laura Feinstein (SPUR): And as Heather was mentioning these water conservation programs that it could help. People reduce their bills, tend to target the Median income customer. They serve them really well. They don't serve the low income customers very well

153
00:30:22.620 --> 00:30:34.129
Laura Feinstein (SPUR): and underlying all of this is proposition to 18 as a big barrier. So proposition 218 was this voter approved ballot measure in the 19 nineties.

154
00:30:34.150 --> 00:30:51.330
Laura Feinstein (SPUR): and it passed a lot of constraints on how local public agencies can raise revenue and spend that revenue. And in particular it it actually did not specifically call out low income assistance programs, but it did say

155
00:30:51.340 --> 00:30:57.810
Laura Feinstein (SPUR): that the bill that a parcel pays for a service has to reflect the cost of serving that parcel.

156
00:30:58.060 --> 00:31:10.910
Laura Feinstein (SPUR): and since then there was a court decision that interpreted that to mean that you could not charge some customers extra in order to offer a low income bill assistance programs to other customers.

157
00:31:13.800 --> 00:31:21.280
Laura Feinstein (SPUR): So what does this all kind of result in? Well, we see, for example, big disparities in water used by race and income.

158
00:31:21.460 --> 00:31:38.029
Laura Feinstein (SPUR): And the reason for this is not that complicated. It's largely because people in lower and higher income areas tend to have these larger yards, and they water them more generously. So, for example, we took a look at the municipal water systems in the bay area

159
00:31:38.100 --> 00:31:55.039
Laura Feinstein (SPUR): and compared income to water use, and this is just showing a selection of water systems in San Francisco Bay, and as you can see, there's this correlation between income and gallons of water used each day. So, for example, Hillsborough.

160
00:31:55.050 --> 00:31:59.859
Laura Feinstein (SPUR): where Median household income is $250,000 per year.

161
00:31:59.930 --> 00:32:05.219
Laura Feinstein (SPUR): is using about a 100 gallons per capita per day, which is quite high.

162
00:32:05.420 --> 00:32:12.680
Laura Feinstein (SPUR): This is actually their water use in the winter. A 100 gallons per capita per day is not

163
00:32:12.690 --> 00:32:27.770
Laura Feinstein (SPUR): doesn't Just cover, for example, you taking your daily shower and all your indoor needs that really hint at the idea that people are watering their yards even in the winter in some of these wealthy areas, probably because of bigger water, Bill Doesn't, bother them all that much.

164
00:32:27.990 --> 00:32:39.199
Laura Feinstein (SPUR): And down the hill, very close by same climate is East Palo Alto, which is a low income area. About $60,000 per year is the meeting household income.

165
00:32:39.480 --> 00:32:42.270
Laura Feinstein (SPUR): and the homes there have smaller yards.

166
00:32:42.430 --> 00:32:56.810
Laura Feinstein (SPUR): so they don't have as much green space to water, and even within that parcel size you're more likely to see a lot more concrete and brown lawns and less of this rich tree canopy and large green spaces.

167
00:32:57.920 --> 00:33:04.160
Laura Feinstein (SPUR): and that means that those areas that have a higher income

168
00:33:04.210 --> 00:33:11.130
Laura Feinstein (SPUR): tend to have more resilience during heat waves which is going to become this increasing problem. As the climate changes

169
00:33:11.180 --> 00:33:17.379
Laura Feinstein (SPUR): so low-income neighborhoods tend to have 15% less tree cover.

170
00:33:17.490 --> 00:33:22.020
Laura Feinstein (SPUR): and as a result, are one and a half degrees hotter in Celsius.

171
00:33:22.200 --> 00:33:28.489
Laura Feinstein (SPUR): and therefore at are at risk of one to 4% higher mortality during heat waves.

172

00:33:29.240 --> 00:33:38.549
Laura Feinstein (SPUR): And this is a an illustration of how you can sort of see this on the ground in the bay area. Here's Atherton and Santa Clara County

173
00:33:38.640 --> 00:33:53.270
Laura Feinstein (SPUR): versus nearby downtown, San Jose. The one has a beautiful rich tree canopy in green spaces, and one is largely concrete and impermeable surfaces that get very very hot during heat waves.

174
00:33:57.010 --> 00:34:16.769
Laura Feinstein (SPUR): There's also inequities built into water rate structures. This depends on which water system you're talking about. There's a lot of variability. But the State Water Board did an assessment, and looked at the statewide Median for all the water systems in the State.

175
00:34:16.780 --> 00:34:21.829
Laura Feinstein (SPUR): and found that overall water rate structures are regressive.

176
00:34:21.909 --> 00:34:39.449
Laura Feinstein (SPUR): meaning. People who use more water pay less per unit water than people who use less water. So, for example, on average statewide, or I should sit yeah on average statewide households that use 2,400 cubic feet

177
00:34:39.810 --> 00:34:45.110
Laura Feinstein (SPUR): per month are paying $3 and 45 cents per unit.

178
00:34:45.360 --> 00:34:50.790
Laura Feinstein (SPUR): People who use 600 cubic feet per month are paying

179
00:34:50.840 --> 00:34:54.680
Laura Feinstein (SPUR): but about twice that per unit. So you're paying more

180
00:34:55.239 --> 00:35:00.749
Laura Feinstein (SPUR): per unit of water per gallon of water when your total usage is lower.

181
00:35:04.030 --> 00:35:14.820
Laura Feinstein (SPUR): and as heather already touched on existing water. Efficiency and urban greening programs are largely inaccessible to low-income households and to renters

182
00:35:14.840 --> 00:35:26.950
Laura Feinstein (SPUR): so most of these programs offer after market rebates that you have to wait a few months for rather than programs where the discounts or the savings are available upfront

183
00:35:26.960 --> 00:35:46.490
Laura Feinstein (SPUR): to customers. And there's actually quite a few good examples of water systems that do offer programs that are accessible to low income households. They just haven't become sort of the widespread standard model. But there are water systems that offer free, direct install programs where they give people more efficient devices and install them for free.

184
00:35:46.690 --> 00:35:52.759
There's also models where the customer gets the discount at the time of purchase.

185
00:35:53.130 --> 00:36:04.069
Laura Feinstein (SPUR): and those can be things like what they call midstream or upstream rebates where it's the manufacturer, the contractor who files for the rebate and waits for it.

186
00:36:04.140 --> 00:36:06.650
Laura Feinstein (SPUR): and the customer gets the discount up front

187
00:36:06.860 --> 00:36:15.549
Laura Feinstein (SPUR): and pay, as you say. Programs also have a similar similar function where the customer gets the discount upfront.

188
00:36:15.730 --> 00:36:22.350
Laura Feinstein (SPUR): and then they pay it off over time on their bill out of the savings that they've realized on their bill.

189
00:36:23.010 --> 00:36:32.950
Laura Feinstein (SPUR): And another barrier is simply that renters have a hard time accessing these programs because you typically require the permission of a property owner to participate.

190
00:36:34.220 --> 00:36:40.810
Laura Feinstein (SPUR): So there's a lot of things that could be done to improve the situation, and i'm just going to touch on a few ideas today.

191
00:36:41.280 --> 00:36:58.909
Laura Feinstein (SPUR): One notion is direct install programs, and this is something that's for worked on with a coalition of organizations last year to advocate for we weren't successful. But we will continue talking about this idea and how it can be worked in and future budgets.

192
00:36:58.920 --> 00:37:01.610
Laura Feinstein (SPUR): The Pacific Institute was an important partner on this.

193
00:37:01.680 --> 00:37:10.110
so the proposal was a 200 milliondollars budget allocation for free water efficiency upgrades for low-income households

194
00:37:10.490 --> 00:37:22.999
Laura Feinstein (SPUR): and this would be done through 2 avenues. One is through the current energy savings assistance program. So there's already this very widespread program run by energy utilities

195
00:37:23.010 --> 00:37:43.439
Laura Feinstein (SPUR): where contractors come to your house, they do an assessment, and then they for free will install more energy, efficient devices, and that could fairly easily be expanded, so that when they come to your house they also have more efficient toilets on the truck, for example, more efficient shower heads, etc.,

196
00:37:43.810 --> 00:37:56.460
Laura Feinstein (SPUR): and the Second Avenue would be to establish a new grant program for direct install water efficiency programs that would be carried out by the local water agencies and their partners.

197
00:37:57.950 --> 00:38:06.690
Laura Feinstein (SPUR): So what's the benefit of offering these types of conservation and efficiency programs targeted to low income households.

198
00:38:06.730 --> 00:38:24.110
Laura Feinstein (SPUR): Well, our estimate was that 200 millionwas enough to cover 200,000 income qualified households, and that it would save over 4.8 billiongallons of water per year statewide, and it would reduce water bills by $200 per participating household

199
00:38:24.200 --> 00:38:38.110
Laura Feinstein (SPUR): mit ctl. And so, when you offer low-income households ways to reduce their water use You're increasing community drought resilience by saving water in every household, and you're also 150,

200
00:38:38.280 --> 00:38:42.659
Laura Feinstein (SPUR): lowering their water bill because they they need less water per month

201
00:38:47.150 --> 00:39:02.849
Laura Feinstein (SPUR): mit ctl. And another important proposal that's on the table has been a statewide water bill assistance program. So, as I mentioned right now, we have this sort of patchwork of local Water Bill assistance programs, and not every water agency offers 1, 2.

202
00:39:02.860 --> 00:39:22.760
Laura Feinstein (SPUR): And so and yet this is in stark contrast to really every other essential need, food, rent, health care. There is some statewide program offered to provide discounts to low income households on all essential needs except for water. So

203
00:39:22.810 --> 00:39:27.890
Laura Feinstein (SPUR): the proposal on the table is to offer a statewide program for Water bill assistance.

204
00:39:27.920 --> 00:39:41.400
Laura Feinstein (SPUR): and part of the value of this is that we could get over that big barrier proposition 218, which sort of ties the hands of local agencies by simply offering these water bill discounts at the State level. Instead.

205
00:39:41.660 --> 00:39:50.199
Laura Feinstein (SPUR): there was a bill that passed the Legislature last year to establish a Statewide Water Bill Assistance program framework

206
00:39:50.260 --> 00:40:00.720
Laura Feinstein (SPUR): that was vetoed by the Governor, unfortunately. But we do expect something to return this year hopefully, this time with a a stronger funding source identified.

207
00:40:00.970 --> 00:40:05.909

Laura Feinstein (SPUR): And if you're interested in your Community Water Center, clean water, Action

208
00:40:05.980 --> 00:40:10.430
Laura Feinstein (SPUR): and Leadership Council for Justice and Accountability are the leads on this

209
00:40:10.520 --> 00:40:12.450
Laura Feinstein (SPUR): particular piece of legislation.

210
00:40:13.770 --> 00:40:23.199
Laura Feinstein (SPUR): and one other strategy. For to consider is for water for those water systems that may be using

211
00:40:23.730 --> 00:40:28.649
Laura Feinstein (SPUR): either flat rates or call them sort of uniform volume metric

212
00:40:28.710 --> 00:40:38.630
Laura Feinstein (SPUR): essentially for those water systems that are struggling with that issue of regressive water rates where they're charging more per unit to those people who use less.

213
00:40:38.770 --> 00:40:47.630
Laura Feinstein (SPUR): There are strategies out there to redesign rates for equity and efficiency, and many water systems have, you know it have integrated

214
00:40:47.760 --> 00:41:05.349
Laura Feinstein (SPUR): some of these ideas into their current rate structure. This is a particularly nice diagram showing how molten Niguel water district executed this. So what you see here is, you have these tiers of water use. This is somebody who just uses

215
00:41:05.370 --> 00:41:21.130
Laura Feinstein (SPUR): a little bit of water to cover their basic indoor needs all the way up to people who are using a fair amount of water outdoors, and those who are really using quite a lot of water outdoors, and probably are, are being very inefficient with their water use.

216
00:41:21.590 --> 00:41:22.840
Laura Feinstein (SPUR): and

217
00:41:22.900 --> 00:41:28.599
Laura Feinstein (SPUR): you can see that the the costs are being charged per unit is going up as they're using more.

218
00:41:28.760 --> 00:41:36.450
and the way that they've managed to do. This is by allocating the cost of their

219
00:41:36.460 --> 00:41:49.470
Laura Feinstein (SPUR): mit ctl, and more recently developed more expensive supplies to their higher water users. So you know. Originally they only needed this first supply, and they developed it a long time ago, and it's pretty inexpensive. Well, 150

220
00:41:49.480 --> 00:42:00.790
Laura Feinstein (SPUR): people using water for your essential indoor needs and a little bit of outdoor watering you just get charged for the the cost of accessing water from this less expensive supply.

221
00:42:00.930 --> 00:42:12.490
Laura Feinstein (SPUR): But as you start to get into what's considered inefficient use, then you have to pay for the cost of supply Number 2, which is more recently developed, and it's more expensive plus

222
00:42:12.660 --> 00:42:25.719
Laura Feinstein (SPUR): mit Ctl and their program, administration and customer service and their water resources and efficiency increases, and their conservation programs. So all of that sort of getting stacked on, so that the people who use the most water, 150

223
00:42:25.740 --> 00:42:33.839
Laura Feinstein (SPUR): who are driving the need for the expensive infrastructure investments that Heather talked about are paying for those investments.

224
00:42:35.170 --> 00:42:41.330
Laura Feinstein (SPUR): and those are all the solutions I wanted to talk to you about today.

225
00:42:41.450 --> 00:42:44.809
Laura Feinstein (SPUR): and I think it's time to move on to question and answer

226
00:42:51.190 --> 00:42:53.500
Sarah Harper (SPUR): great. Thank you so much, Laura.

227
00:42:53.710 --> 00:42:55.189
Sarah Harper (SPUR): Excuse me.

228
00:42:55.350 --> 00:43:13.330
Sarah Harper (SPUR): So we're gonna launch into the question to answer session, and we want this to be an interactive conversation, and we plan on spending as much time as possible, engaging with you all. So I encourage everyone to use the question and answer feature in the Webinar

229
00:43:13.760 --> 00:43:18.210
to share thoughts and ask questions with the speakers.

230
00:43:18.260 --> 00:43:25.069
and it should appear as a button on the bottom of your screen or at the top of your screen. If you're on a mobile app

231
00:43:25.210 --> 00:43:31.569
within a few days we'll be sharing a copy of the Recording Transcript and chat with everyone who registered.

232
00:43:31.640 --> 00:43:42.709
Sarah Harper (SPUR): And with all of that i'm gonna turn it over to Lauren Heather to kind of launch into some of the questions we've been looking at

233
00:43:44.760 --> 00:43:47.369
Sarah Harper (SPUR): can kind of turn it back on

234
00:43:47.590 --> 00:43:52.179
Sarah Harper (SPUR): sort of integrating some of these ideas. I know we had

235
00:43:52.620 --> 00:44:00.120
Sarah Harper (SPUR): some of the conversations about utilities and forecasting as well as with

236
00:44:00.390 --> 00:44:17.640
Sarah Harper (SPUR): on Laura's side Building in equity concerns into the Utility billing structure. Can you guys just go over? How how are those 2 initiatives linked. How are these sort of transformative efforts to bring

237
00:44:18.090 --> 00:44:26.280
Sarah Harper (SPUR): water utility rates, you know, up to snuff with equity rate structures and water efficiency goals?

238
00:44:28.660 --> 00:44:35.009
Heather Cooley: Lauren, do you want to touch on the piece around? Sort of the rate structures? And then I can. I can work on the other pieces.

239
00:44:36.190 --> 00:44:42.499
Laura Feinstein (SPUR): sure. So how can water rate structures be adapted to meet equity goals? Is that the the question?

240
00:44:42.900 --> 00:44:50.940
Sarah Harper (SPUR): Yeah, yeah, sort of bring bringing your 2 talks together, and then we can kind of launch into the questions. I think that's a a good place to start

241
00:44:51.690 --> 00:44:54.220
Laura Feinstein (SPUR): right. So I mean, I think

242
00:44:54.430 --> 00:44:59.610
Laura Feinstein (SPUR): the really important insight from from heather's. Research is that

243
00:44:59.770 --> 00:45:05.740
Laura Feinstein (SPUR): it's people who tend to use more water that tend to drive the most expensive new infrastructure upgrades.

244
00:45:05.750 --> 00:45:24.930
Laura Feinstein (SPUR): And so, if you think about the fact that it actually costs more to serve the people who use more water. Then you can link that back to setting rates such that people who use more water are paying for those infrastructure upgrades and not those people who really are not driving that need.

245
00:45:26.470 --> 00:45:37.269
Heather Cooley: Yeah, so so it it points to, I think tiered pricing basically and tier pricing is such that those who use lesser water pay less per gallon than than the higher users.

246
00:45:37.280 --> 00:45:53.699
Heather Cooley: And so, having, you know, pretty steep increases between those tiers is is the way to really get at that utility cost. And I I had some questions around this include, typically anyway, a fixed cost or a fixed fee, and then of sort of a variable fee.

247
00:45:53.710 --> 00:46:08.189
Heather Cooley: And so, you know, trying to have a have a lower fixed fee, and then getting more of the revenue from the the variable part with with those steep increases between tiers, is sort of the way you can kind of balance.

248
00:46:08.200 --> 00:46:15.399
balance those those issues, and and try to promote both efficiency, but also equity sort of at the same time.

249
00:46:16.400 --> 00:46:21.820
Laura Feinstein (SPUR): And if I can chime in, you know, one of the particular challenges with doing that with trying to

250
00:46:22.110 --> 00:46:39.260
Laura Feinstein (SPUR): recover more revenue, and the variable charges and less from the fixed charges, is really coming to a head because of these increasingly severe and frequent droughts that California has been experiencing. So you know, water systems. They.

251
00:46:39.270 --> 00:46:52.629
Laura Feinstein (SPUR): the majority of the cost to deliver that water is fixed. And so, when there's sort of these sudden and unpredictable decreases in water use, because people are conserving during a drought, they still have to cover their costs.

252
00:46:52.690 --> 00:47:09.599
Laura Feinstein (SPUR): And so that has been why a lot of water systems have been kind of putting up more of their revenue. Recovery into fixed charges is to sort of deal with these unpredictable fluctuations in demand which are likely to increase as the climate changes.

253
00:47:10.700 --> 00:47:15.980
Heather Cooley: But to you, you know, that's where I think planning is critical, right? Because there there.

254
00:47:16.800 --> 00:47:34.459
Heather Cooley: in some instances, they're unpredictable. I mean, we know we are going to have droughts, and we know they're going to increase in frequency. And so we need to be planning for that. And so there can be sort of funds that are set aside to help utilities. You know whether whether the droughts, essentially

255
00:47:34.470 --> 00:47:53.030
Heather Cooley: those could be ways we can avoid. Some of the rate increases that you know that are sort of drought driven as well, and then 2, there can be surcharges that are put on during droughts again, tending to want to emphasize those on the higher usage customers rather than your your low use customers.

256
00:47:53.040 --> 00:48:10.539
Heather Cooley: But those 2 can help to recover some of that revenue, because because I think the the part it's, and it's really important to differentiate. And this is kind of what I was referring to, as well as sort of the the sudden drops versus the long term reductions in demand the efficiency improvements.

257
00:48:10.550 --> 00:48:27.229
Heather Cooley: And if we're planning for those efficiency improvements, we can effectively adjust our infrastructure investments, so that we can realize the benefits and actually avoid those new infrastructure costs. Those can be significant savings for the entire community.

258
00:48:28.980 --> 00:48:39.649
Sarah Harper (SPUR): you know, absolutely. These are really great points. There's a really interesting question that came up in the chat from Douglas Holmes. Just kind of linking this

259
00:48:39.810 --> 00:48:50.289
Sarah Harper (SPUR): water infrastructure rate structure to our reality with housing specifically in California. So i'll go ahead and read his question.

260
00:48:51.560 --> 00:49:01.819
Sarah Harper (SPUR): which is on increased low income housing, which is expected in California from 2,023 to 2,031 nonprofit and face-based

261
00:49:02.180 --> 00:49:04.709
Sarah Harper (SPUR): face Faith based. Excuse me.

262
00:49:04.800 --> 00:49:17.819
Sarah Harper (SPUR): advocacy. Groups are interested in building low income housing sites, but the charges anticipated for water electricity and gas connections are put pushing them to use site metering rather than unit metering

263
00:49:18.220 --> 00:49:28.759
Sarah Harper (SPUR): with site metering for water. It's harder to locate leaks, and there is no incentive for residents to conserve water if they don't care, nor any assistance for residents who

264
00:49:28.940 --> 00:49:40.189
Sarah Harper (SPUR): do want to conserve water, how can you resolve this metering cost issue, so that low income units have a way to monitor their own water and electricity usage and encourage them to conserve.

265
00:49:43.550 --> 00:49:46.239
Heather Cooley: That is a great great question.

266
00:49:46.250 --> 00:50:16.239
Heather Cooley: You know, I do think there there can be ways particularly for connection fees to provide incentives for for multi-family. And that, that, I think, is a is an important sort of policy priority. It not only helps on on water, but on other sort of important issues around transportation costs and in issues there. So yeah, I mean that that is, that is a a sort of a great potential sort of policy strategy for trying to incentivize multi family which we want to do for

267
00:50:16.250 --> 00:50:17.539
for lots of reasons

268
00:50:17.580 --> 00:50:19.349
in California.

269
00:50:24.420 --> 00:50:25.889
Laura Feinstein (SPUR): So

270
00:50:25.900 --> 00:50:45.809
Laura Feinstein (SPUR): I actually was sort of trying to find the question in the Q. A. And I couldn't find it, because there were like a lot of little nuances there. But I think overall the question was, basically how do you incentivize people to save if they're master metered right. So you know, this is the idea that in multi-family housing including affordable housing

271
00:50:45.820 --> 00:51:03.319
Laura Feinstein (SPUR): generally the meter is just for the whole building for water, and you don't really know how much each unit is is using, and each you and each resident themselves doesn't necessarily know how much they're using. They're usually paying a flat charge for water to the landlord, or it's just being rolled into their rent.

272
00:51:04.680 --> 00:51:19.200
Laura Feinstein (SPUR): It is important, I think, to recognize that energy is usually submitted by units. And so you see a much stronger awareness among renters of how much energy they use, and a much a greater incentive to conserve 150.

273
00:51:19.360 --> 00:51:34.660
Laura Feinstein (SPUR): I do believe that there are laws on the books that are going to require in the future all new construction, all new multi-family construction to be submitted. This is going to improve over time

274
00:51:34.690 --> 00:51:42.040
Laura Feinstein (SPUR): for older buildings. It is still tough. I have heard, for example, of

275
00:51:42.360 --> 00:51:44.989
Laura Feinstein (SPUR): of affordable housing operators

276
00:51:45.080 --> 00:52:03.150
Laura Feinstein (SPUR): having programs to to do checkups in the units, to look for things like leaks, and to talk to people about how they can conserve water. But you're right. It's not as direct. It's sort of getting that bill, and seeing how much you you use every month.

277
00:52:05.210 --> 00:52:09.330
Sarah Harper (SPUR): and I think you know, following up on on this conversation about

278
00:52:10.660 --> 00:52:19.969

Sarah Harper (SPUR): accessibility of information about Bills sort of understanding your rate structure how it works. We have a great question from Kyle Griffith.

279
00:52:20.190 --> 00:52:36.229
Sarah Harper (SPUR): who's asking about creating a universal application for energy and water support programs. As well Go ahead and read this question. Would it be possible to create a universal application for energy and water support programs for low income. Californians.

280
00:52:36.300 --> 00:52:42.510
Sarah Harper (SPUR): If the household qualifies for one of these support programs, surely they would qualify for more right.

281
00:52:43.380 --> 00:52:59.379
Laura Feinstein (SPUR): Yes, Kyle, I totally agree. This is definitely something that we've been talking about. It's for, because we don't just work on water energy affordability, and we also do a lot of work on food, security and economic security.

282
00:52:59.390 --> 00:53:13.230
And it's a big problem that low-income households have to apply separately for just about every one of these assistance programs, and there is an intensive paper workload for each program.

283
00:53:13.500 --> 00:53:25.899
Laura Feinstein (SPUR): And so that's part of why you see participation rates and things like how fresh being, I think, around 70% or so of eligible customers, because it is hard to enroll.

284
00:53:25.980 --> 00:53:38.530
Laura Feinstein (SPUR): And the State has talked about starting to have a central database of people who are qualified for the various

285
00:53:38.790 --> 00:53:55.069
Laura Feinstein (SPUR): at social assistance programs, so that when they put in a new application to a new program that program can just check. Oh, you know, if they're enrolled in Cal fresh, we already know that you're qualified for our program and enroll them. But it has been moving very slowly.

286
00:53:55.230 --> 00:53:56.649
Laura Feinstein (SPUR): and

287
00:53:56.750 --> 00:54:01.919
Laura Feinstein (SPUR): would would be a huge bone if it actually got off the ground.

288
00:54:02.310 --> 00:54:12.619
Laura Feinstein (SPUR): But yes, I would say overall one of the biggest barriers to people enrolling in the social assistance programs that they actually are eligible for is excessive paperwork

289
00:54:12.810 --> 00:54:13.700
Laura Feinstein (SPUR): and

290
00:54:13.820 --> 00:54:23.760
Laura Feinstein (SPUR): a big driver of why the energy assistance program is so well utilized with about 90% of eligible customers. Enrolling is because the form

291
00:54:24.090 --> 00:54:28.509
Laura Feinstein (SPUR): to enroll is pretty simple. You know. It's just that easy

292
00:54:33.890 --> 00:54:35.220
Sarah Harper (SPUR): and

293
00:54:35.340 --> 00:54:36.080
Sarah Harper (SPUR): kind of

294
00:54:36.160 --> 00:54:53.150
Sarah Harper (SPUR): bringing this conversation back into where Utilities and the California Public Utilities Commission fit in Into this picture of water affordability and water equity, we have a question from Karen Nemesik.

295
00:54:53.310 --> 00:55:03.729
Sarah Harper (SPUR): who asks, how does the CPU see respond when you show them the data that highlights the inequalities in water usage and water rates?

296
00:55:06.070 --> 00:55:13.660
Laura Feinstein (SPUR): Well, I can say how they respond, because I participated in a in a rule making about water affordability.

297
00:55:13.720 --> 00:55:27.419
Laura Feinstein (SPUR): The the basic gist is that there is this: this challenge, this tension between water utilities wanting to have a very predictable revenue base every year

298
00:55:27.430 --> 00:55:37.399
Laura Feinstein (SPUR): versus really leaning into the more heavily tiered rates and and charging, recovering more of their revenue, and the volume metric. So.

299
00:55:38.010 --> 00:55:47.489
Laura Feinstein (SPUR): for example, Heather was a big part of establishing. I think, this guidance that that water utility should only recover 30%

300
00:55:47.830 --> 00:55:50.439
Laura Feinstein (SPUR): of their revenue through the fixed charges.

301
00:55:50.510 --> 00:56:10.239
Laura Feinstein (SPUR): And there there was, you know, later, a lot of pushback and a lot of water systems kind of broke away from that, and we saw that among the private ones that are regulated by the CPU, that that they manage to get the Cpc. To change their guidance and cap the the fixed charge at 40% of revenue.

302
00:56:10.590 --> 00:56:23.189
Laura Feinstein (SPUR): So that's basically the gist is that the CPU C has kind of gone along with this pressure to to allow the the water utilities to recover more revenue and the fixed charge.

303
00:56:24.130 --> 00:56:38.169
Heather Cooley: I do want to note, too, though you know, as it's what the it is sort of a balance of equity and efficiency, and affordability, or a equity efficiency, and then, and and sufficiency right having enough revenue.

304
00:56:38.180 --> 00:56:56.029
Heather Cooley: but it'd be the rates being equitable and promoting and driving efficiency. And so, as Laura's right, I mean there is a a a push for having a higher fixed fee, because it's it's it's fixed like revenue, you know. Utilities can better plan that. You know they know how much revenue they're coming in.

305

00:56:56.040 --> 00:57:10.309
Heather Cooley: even if there's a sudden change in demand that's not going to affect their revenue as much, so so they prefer that that, of course, though raises concerns around efficiency and equity. For all the reasons we we sort of talked about today.

306
00:57:10.320 --> 00:57:28.989
Heather Cooley: You can, though, and this is again where tiered rates can be really helpful. If you have steep tiers in between, you can still have a little bit higher fixed fees, and still provide an efficiency signal, while also

307
00:57:29.000 --> 00:57:46.980
Heather Cooley: for being equitable it when you combine that with those with those steeply inclining rates. So it is tough. It is a challenge, and I think you have to adjust and have mechanisms to adjust rates regularly. But there are ways of of sort of addressing that.

308
00:57:46.990 --> 00:58:06.560
Heather Cooley: I do think, too, I think fundamentally, we Haven't really talked about this. But fundamentally, you know, rates are always tricky for utilities. There's a lot of pressure to keep rates low, even though you know that our costs for providing water are rising. For For a lot of reasons we get. We could talk about that.

309
00:58:06.570 --> 00:58:09.270
Heather Cooley: So there is, you know, quite a bit of pressure

310
00:58:09.590 --> 00:58:26.660
Heather Cooley: to keep them to keep them low. But you know, I I think, given the challenges that that we are facing, You know we have to. There's rate creases that are coming. So, having a relationship and trust between customer and utility is is critically important.

311
00:58:26.670 --> 00:58:44.360
and that's where I think you know it frankly, it's critically important for all of the things that utilities are doing. And so you know. Increasingly, i'm seeing far more outreach between custom, you know utilities and their customers. I think historically, it's been well you didn't really interact with them, or you only interacted with them when the bill came.

312
00:58:44.370 --> 00:59:12.609
Heather Cooley: Now there's a lot more opportunities and instruments for greater engagement and more of a relationship between the utility and the customer. And I think that is really where there needs to be tremendous emphasis given the challenges that we face, that the utilities are

facing, that communities are in facing, that that trust is going to be critically important, and it relates to these rate issues and affordability issues. But it relates to to all the issues. I think that that utilities and communities are dealing with.

313
00:59:13.500 --> 00:59:29.500
Sarah Harper (SPUR): Thank you so much. This has been such a great conversation, and i'm looking at the clock, and and it's sad. I'm sad to say, that we're out of time. So thank you so much to our panelists, and also the participants to all of you that have been asking questions.

314
00:59:29.510 --> 00:59:43.140
Sarah Harper (SPUR): And I just wanna Thank you all again, and we hope to see you at another spur program. Soon we'll be sending details out after this event as well

315
00:59:43.840 --> 00:59:54.500
Sarah Harper (SPUR): with that copy of the recording transcript and chat for everyone who registered. And with that i'll leave it to Heather and Laura to conclude with any final thoughts. Thanks.

316
00:59:56.360 --> 01:00:01.860
Heather Cooley: Well, just to say, Thank you, everybody. It's been great, and I appreciate all of the questions and the discussion

317
01:00:02.130 --> 01:00:04.119
Heather Cooley: and thank you to spur for hosting.

318
01:00:05.680 --> 01:00:14.369
Laura Feinstein (SPUR): Yeah, thanks to everybody who asked all your good questions. If you have a burning question that we didn't get to feel free to just email me, i'll drop my email in the chat.

319
01:00:14.400 --> 01:00:17.510
Laura Feinstein (SPUR): because I i'm looking through here, and I see some

320
01:00:17.640 --> 01:00:20.479
Laura Feinstein (SPUR): great questions. So thank everybody for joining.