

Metropolitan Water District of Southern California Summary of Affordability Panels

Equity, Inclusion, and Affordability (EIA) Board Committee

March 4, 2024

Prepared for
Metropolitan Water District of Southern California

Prepared by
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Overview

Based on a request from the Board of Directors for the Metropolitan Water District of Southern California (MWD/Metropolitan), four panels on affordability were conducted between Summer 2023 and early 2024. The panels were presented during Equity, Inclusion, and Affordability (EIA) committee meetings. These affordability discussions were designed to inform the Board's Climate Adaptation Master Plan for Water (**CAMP4W**) process and expand on initial CAMP4W thematic statements on affordability.. The following summary includes major themes of the four panel discussions followed by information on each panel that includes a link to the recording.

Meeting Dates

Monday, August 14, 2023– Discussion of Member Agency Programs

Tuesday, October 24, 2023– Metropolitan's Role in Household Water Affordability

Monday, November 13, 2023– Regulatory Requirements Impacting Affordability

Monday, January 8, 2024– Cost Containment and Offsets

Major Themes

- Metrics for evaluating affordability and accessibility should be measured against Human Right to Water (**HR2W**).
- There is value in establishing appropriate decision frameworks to guide funding discussions, ways to protect vulnerable communities, and to provide the least cost for water supply.
- Affordability is defined differently by stakeholders. The water sector can play a role in not adding inequities to communities that live on the margins.
- Establishing and building trust with communities is important.
- State, federal, and local leaders need to be coordinated in the messaging about the safety of treated water, including direct potable reuse (**DPR**) water. Messaging should come early in the process, highlighting safety and conservation as water is too precious to be used only once.
- Customer assistance programs are effective in offsetting rates and lowering costs.
- The public needs to be informed that regulations are adopted to protect public health.
- There are opportunities to collaborate with gas and electric utilities to support marginalized and socioeconomically disadvantaged communities.

August 2023: Discussion of Member Agency Programs

Equity, Inclusion, and Affordability Committee Meeting

Date: Monday, August 14, 2023

Recording: [Link](#)

Discussion Themes

- Fragmentation – There is system fragmentation for smaller water systems which have higher cost factors that ripple down to the community.
- Factors and Impacts – There is a need to look at all the factors that impact affordability holistically and narrow down to the priorities.
- Data and Stories – Multiple stakeholders can be brought to the table by focusing on evidence-based data and stories from impacted residents.
- Collaboration – Municipalities can work collaboratively to be proactive in affordability and cost-reduction programs.
- Meaning – Affordability does not mean it is free. Affordability should mean that water is provided cost-effectively and is not a financial burden to the communities.

Panel Representatives

Ismahan Abdullahi, National Executive Director at Muslim American Society: Public Affairs and Civic Engagement; San Diego County Water Authority Board Member

Maura Allaire, Assistant Professor, University California Irvine School of Social Ecology

Jennifer Capitulo, Executive Director, California Water Association

Dan Denham, General Manager, San Diego County Water Authority

Mauricio Guardado, General Manager, United Water Conservation District

Mary Matava, President and Agronomist, Agri Service, Inc.

October 2023: Metropolitan's Role in Household Water Affordability Equity, Inclusion, and Affordability Committee Meeting

Date: Tuesday, October 24, 2023

Recording: [Link](#)

Discussion Themes

- Accessibility – Rate assistance programs for low-income residents should be streamlined and made accessible to allow qualified users to access options easily.
- Funding – There is a need to establish clear funding sources to support rate reductions and rate assistance.
- Priorities – There is a need to strengthen and expand water supplies by investing in additional water sources and collections. Building trust with communities and promoting assistance for all eligible households through household affordability programs are priorities.
- Owners and Renters – Rate tiers could be considered for property owners and renters.
- Decision-Making – Appropriate decision frameworks can guide funding discussions, ways to protect vulnerable communities, and to provide the least cost for water supply.
- Equity Analysis – Equity analyses are important in determining where investments should be going.
- Consolidation – Small-system consolidation as a mechanism to offset additional operational costs.

Panel Representatives

Joe Mouawad, General Manager, Eastern Municipal Water District

Jennifer Capitolo, Executive Director, California Water Association

Jennifer Clary, California Director, Clean Water Action/Clean Water Fund

George Rofail, Chief Customer Officer, Los Angeles Department of Water and Power

November 2023: Regulatory Requirements Impacting Affordability Equity, Inclusion, and Affordability Committee Meeting

Date: Monday, November 13, 2023

Recording: [Link](#)

Discussion Themes

- Regulations, Standards, and Policies – Water regulations, standards, and treatment policies are being mandated for public health, safety, and stability. The treatments are mandated to align with HR2W and the government should offer funding.
- Concerns – Manganese, microplastics, and PFAS are driving concerns, especially in areas of high concentration.
- Consumer Support – Consumer assistance and technical programs could be offered by the Environmental Protection Agency (EPA).
- Examples of Success – Metropolitan’s *Water Efficiency Program* and contribution to technical assistance through California Urban Water Agencies (CUWA) are examples of success.
- Low-Income Assistance – Agencies can allocate small percentage of revenue to be set aside to create funds for low-income assistance, for example by the Great Lakes Water System.
- Impacts on Ratepayers – There is the opportunity to identify and create funding sources to mitigate impacts on ratepayers.
- Joint Powers Authority (JPA) –JPAs can pursue funding for regulatory investments to support small systems.
- Message Coordination – State, federal, and local leaders need to coordinate the messaging about the safety of treated water, including DPR water. Messaging should come early in the process, highlighting safety and conservation as water is too precious to be used only once.

Panel Representatives

Danielle Blacet-Hyden, Deputy Executive Director, California Municipal Utilities Association

Wendy Broley, P.E., Executive Director, California Urban Water Agencies

Laurel Firestone, Board Member, State Water Resources Control Board

Erik D. Olson, Senior Strategic Director, Health and Food, People & Communities Program, Natural Resources Defense Council

J. Alan Roberson, P.E., Executive Director, Association of State Drinking Water Administrators

Alex Rojas, General Manager, Central Basin Municipal Water District

January 2024: Cost Containment and Offsets

Equity, Inclusion, and Affordability Committee Meeting

Date: Monday, January 8, 2024

Recording: [Link](#)

Discussion Themes

- HR2W – There is a significant growth in the recognition of HR2W and California is working towards ensuring that across all communities.
- Costs of Regulations and Standards – The cost to meet the current regulations to provide water of exponential standards to all Californians is too high. The standards are unattainable and need to be adjusted to phases.
- Funding for Priorities – Questions remain regarding the determination of priorities and how to fund them across the state.
- Community Trust in Water – There is a need to build trust among communities in their treated water. Trust potable water would offset desires to use bottled water.
- Trusted Partnerships – Partnerships with nonprofits and researchers could support conversations with communities, build trust, transparency and advertise against false narratives.
- Costs of Climate Change – Climate change is going to inherently increase the costs of water across the state.
- Statewide Divisions – The state of California is fragmented between local and multi-level systems that cause challenges to implementing affordability.

Panel Representatives

Janet Clements, President, One Water Econ

Erin Corvinova, Financial Planning Director at San Francisco Public Utilities Commission

Greg Pierce, Director, UCLA Human Right to Water Lab; Water Resources Group