

ATTACHMENT B

Public Comments Received on Pasadena Water and Power's 2020 Urban Water Management Plan and Water Shortage Contingency Plan

Comment	Response
<p><i>Pasadena Resident Ken Kules abbreviated comments (letter attached):</i></p> <ol style="list-style-type: none"> 1. A detailed discussion on conservation pricing is to be included as an appendix. 2. The UWMP incorrectly describes Pasadena's water rates as sending a strong conservation message to customers and those rates are not equitably charged for all residential customer classes. 3. Table 9.2 describes only the volumetric Commodity Rate and not the Distribution and Customer Charge, as the California Urban Water Conservation Council (CUWCC) defines conservation pricing. The CUWCC analysis of Pasadena's water rates shows a score of less than 70% and was not "consistent with the definition of conservation pricing". 	<ol style="list-style-type: none"> 1. <i>Section 9.3 of the UWMP meets the requirements of the Water Code Section 10631(e)(1)(B)(iii), requiring a description of conservation pricing to be included.</i> 2. <i>Conservation pricing must be related to the cost of service per Proposition 218 and cannot be seen as penalties for excessive water use (DWR 2020 Guidebook). Meter connection sizes are recognized as cost-based and compliant with Prop 218. The four tier inclining block rates encourages conservation with higher rates for higher consumption. In 2020, almost 90% of water sales were in block 1 and 2, indicating an awareness by residents of increased cost and subsequent conservation efforts.</i> 3. <i>Mr. Kules correctly states the CUWCC annual analysis of conservation pricing is no longer conducted, therefore these definitions do not need to be considered in the UWMP. PWP emphasizes equitable rates based on cost-of-service and has a goal to achieve a 70% score for conservation pricing. Achieving scores of 66-68% is not quite 70%, but is categorized as "on track". While a laudable goal, the methodology is out of date. PWP continues to strategize on updating water rates that also progress conservation pricing efforts.</i>

ATTACHMENT B

Pasadena Resident Genette Foster abbreviated comments (email attached):

- | | |
|---|---|
| <ol style="list-style-type: none">1. Paragraph 1 and 5: The public hearing for the Arroyo Seco Canyon Project is on the same day as the hearing to adopt the UWMP, and therefore it is premature to approve the UWMP.2. Paragraph 2: From Section 6.2.4 in the UWMP, operational well are approaching 100 years old and have contamination issues. The UWMP does not clearly explain the amount and extent of contamination and the state of the wells.3. Paragraph 3: "In the discussion of Water Reliability (2.3.2.6)..."4. Paragraph 3: "PWP doesn't seem to acknowledge that it is a member of the RBMB and has a forum for discussing issues as well as a role in decision-making."5. Paragraph 4: The UWMP does not take into consideration serious issues with the Raymond Basin. | <ol style="list-style-type: none">1. <i>Per Water Code Section 10631(f), the UWMP must describe expected future water projects that PWP may implement to increase water supply reliability. An approval of the UWMP does not approve the construction of capital improvement projects listed therein. Furthermore, the public hearing for the Arroyo Seco Canyon Project on June 7 is to approve the Modified Conditional Use Permit and the Final Environmental Impact Report, and not an approval for the construction of the Arroyo Seco Canyon Project.</i>2. <i>Groundwater quality issues are described in Section 6.2.6 of the UWMP and well replacement projects are described in Section 6.7. The UWMP is a regulatory required water resource plan and not a document for prioritizing capital improvement projects. The Water System and Resources Plan prioritizes projects given budgetary and scheduling constraints.</i>3. <i>Section 2.3.2.6 is not in the UWMP, rather it appears Ms. Foster is referencing the Water System and Resources Plan.</i>4. <i>PWP's involvement and role with the Raymond Basin Management Board is described in Section 6.2.2 of the UWMP.</i>5. <i>The declining water levels in the Raymond Basin are discussed in Section 6.2.2. Addressing sustainability of the Raymond Basin is a primary resource consideration of the Water System and Resources Plan to mitigate for reduced reliability and state direction to reduce dependency on sources for imported water.</i> |
|---|---|

**Ken Kules' comments on Pasadena Water and Power's
"2020 Urban Water Management Plan - Public Draft"**

Summary

Pasadena Water and Power's "2020 Urban Water Management Plan - Public Draft" (PUWMP) includes a discussion of the Conservation Pricing element of Demand Management Measures in section 9.3. While the "Urban Water Management Plan Guidebook 2020" says that only a summary need be included in the main body of the UWMP, it suggests that more detail be included in an appendix. Contrary to that guidance, the PUWMP includes a description of Pasadena's water rates that is not only abbreviated but is also incomplete and no further detail is included in an appendix. Furthermore, it describes Pasadena's water rates as "sending a strong conservation signal to customers" without justifying that conclusion.

Analysis

The PUWMP portrays Pasadena's water rates in table 9-2:

Table 9-2: Tiered Rate Structure

1 st Block	2 nd Block	3 rd Block	4 th Block
\$1.44852	\$3.07637	\$3.60615	\$4.37569

This table is deceptive in that the tiered rates do suggest some conformance to Conservation Pricing, but those rates are not equitably charged for all residential customer classes. Residential customers with larger meters and larger properties receive a greater allocation of water in each block:

Customer Group Served	Meter Size	Block Allocations (in Units of One Hundred Cubic Feet)			
		Block 1	Block 2	Block 3	Block 4
Residential—Small SF	5/8", 3/4"	0—8	9—24	25—34	35>
Residential—MF					
Residential—Medium SF/Small MF	1"	0—12	13—40	41—60	61>
Residential—Large SF/Small MF	1½"	0—22	23—86	87—132	133>
Residential—Large SF/Small MF	2"	0—48	49—188	189—290	291>

This block allocation scheme has a dampening effect on the Conservation Pricing benefits of tiered water rates as single-family residences that would normally use about 8 billing units per month will have substantial lowest-cost water from block rate 1 to use for outdoor purposes. To illustrate this point, a large single-family residence will get 40 billing units more per month than is reasonably needed for

indoor purposes at the tier 1 rate, which is enough to fill a swimming pool. In contrast, a small single-family residence gets only enough water for indoor uses.

Table 9-2 also describes only the volumetric Commodity Rate and ignores the fixed Distribution and Customer Charge and volumetric Capital Improvement Charge. This could be characterized as an inadvertent omission except for the fact that historically the definition of Conservation Pricing established by the California Urban Water Conservation Council (CUWCC) included analysis of all components of a water rate:

Adequacy of Volumetric Rate(s): A retail agency's volumetric rate(s) shall be deemed sufficiently consistent with the definition of conservation pricing when it satisfies at least one of the following three options.

Option 1: Let V stand for the total annual revenue from the volumetric rate(s) and M stand for total annual revenue from customer meter/service (fixed) charges, then:

$$\frac{V}{V + M} \geq 70\%$$

This calculation shall only include utility revenues from volumetric rates and monthly or bimonthly meter/service charges. It shall not include utility revenues from new service connection charges; revenue from special rates and charges for temporary service, fire protection, or other irregular services; revenue from grants or contributions from external sources in aid of construction or program implementation; or revenue from property or other utility taxes.

The CUWCC annual analysis of Conservation Pricing is no longer conducted, but an examination of CUWCC's historical calculation regarding Pasadena's water rates is instructive:

CUWCC BMP Coverage Report 2013

Foundational Best Management Practices For Urban Water Efficiency

BMP 1.4 Retail Conservation Pricing

On Track

72 City of Pasadena

Implementation (Water Rate Structure)

Customer Class	Water Rate Type	Conserving Rate?	(V) Total Revenue Commodity Charges	(M) Total Revenue Fixed Charges
Single-Family	Increasing Block Seasonal	Yes	19228461	9576132
Multi-Family	Increasing Block Seasonal	Yes	6384446	3088290
Commercial	Increasing Block Seasonal	Yes	12648315	5621511
			38261222	18285933

Calculate: $V / (V + M)$

68 %



CUWCC BMP Coverage Report 2014

Foundational Best Management Practices For Urban Water Efficiency

BMP 1.4 Retail Conservation Pricing

On Track

72 City of Pasadena

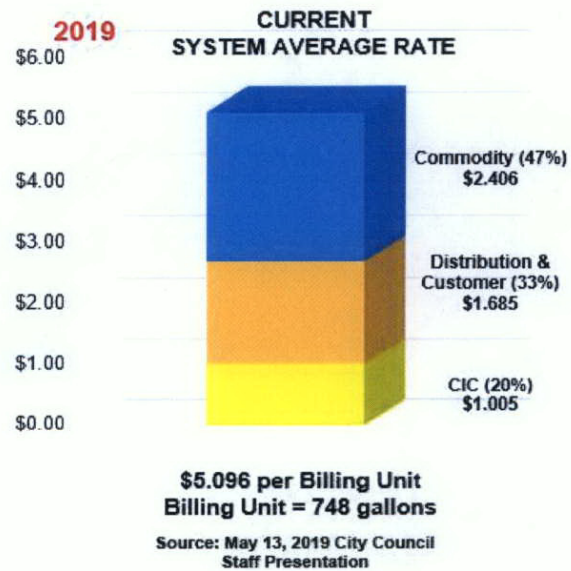
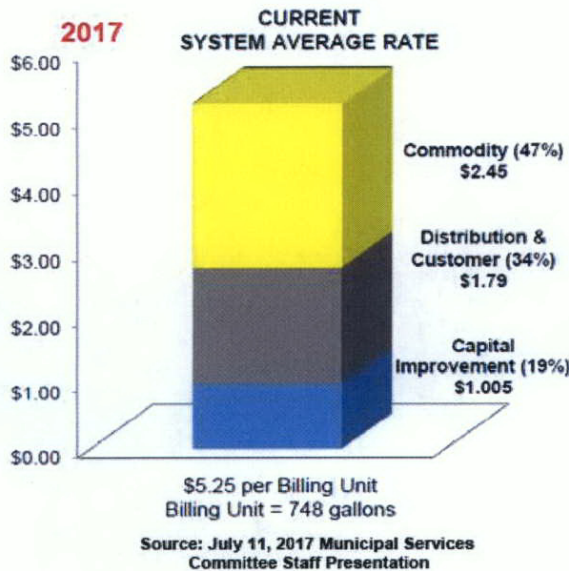
Implementation (Water Rate Structure)

Customer Class	Water Rate Type	Conserving Rate?	(V) Total Revenue Commodity Charges	(M) Total Revenue Fixed Charges
Single-Family	Increasing Block Seasonal	Yes	20040751	9584323
Multi-Family	Increasing Block Seasonal	Yes	6479365	3101675
Commercial	Increasing Block Seasonal	Yes	13241334	5746615
			39761450	18432613

Calculate: $V / (V + M)$ 68 %

As shown above, the CUWCC analysis of Pasadena's water rates for 2013 and 2014 showed that Pasadena's water rate structure was 68% - less than 70% - in both years and was not "consistent with the definition of conservation pricing."

In 2017 and 2019, the Conservation Pricing calculations were even lower than 2013 and 2014 at 66% and 67%, respectively:



The above information must be considered in evaluation of Pasadena's Conservation Pricing.

Flores, Valerie

From: [REDACTED]
Sent: Monday, May 24, 2021 4:36 PM
To: Wilson, Andy; Hampton, Tyron; Rivas, Jessica; Williams, Felicia
Cc: Flores, Valerie
Subject: Public Comment - Municipal Services Committee, May 25, 2021

CAUTION: This email was delivered from the Internet. Do not click links or open attachments unless you *know* the content is safe. Report phish using the Phish Alert Button. [Learn more...](#)

Item 1 on the Agenda for the May 25 meeting of the Municipal Services Committee is to adopt a resolution approving the *2020 Urban Water Management Plan and Water Shortage Contingency Plan*. **Committee approval of this document is premature.**

Chapter 6 deals with Pasadena's water supply. Section 6.2.4 states that most of the operational wells are approaching 100 years old with conditions which reduce the capacity or reliability; they are also influenced by contamination. No evidence is provided for water reliability analysis and subsequent ranking of the wells for potential to fail. Although the plume of contamination from JPL appears to be moving southeast in the Raymond Basin, this fact is not directly acknowledged in the UWMP. Further, soil contamination and potential groundwater contamination from Naval weapons testing were found at the Space Bank Site located at 3200 E. Foothill Boulevard. Although some PWP wells have been closed because of contamination, the UWMP does not clearly explain the amount and extent of this contamination.

In the discussion of Water Reliability (2.3.2.6) PWP states that groundwater pumping capacity in the area is confounded by 1) aging infrastructure and existing groundwater recharge facilities and 2) governing practices. "Management approaches by the Raymond Basin Management Board (RBMB) have failed to address the sustainability of the basin..." PWP doesn't seem to acknowledge that it is a member of RBMB and has a forum for discussing issues as well as a role in decision making.

The *2020 Urban Water Management Plan* does not take into consideration serious issues with the Raymond Basin which were raised by Anthony Zampielo, Executive Officer, Raymond Basin Management Board at the Committee's May 11 meeting.

Section 6.3.3.1 deals with the Arroyo Seco Canyon Project (ASCP). Pasadena City Council's hearing on the Arroyo Seco Foundation's appeal of the Arroyo Seco Canyon Project is scheduled for June 7, 2021. Similarly, the *2020 Urban Water Management Plan (UWMP)* is scheduled for approval on June 7. Therefore, a vote by Municipal Services Committee to approve UWMP on May 25 is premature.

Municipal Services Committee approval of the *2020 Urban Water Management Plan* at this time is inappropriate and out of order.

Genette Foster
[REDACTED]

Pasadena CA 91106