



**TRUTH** FROM  
THE **TAP**

# Defending the Right to Be Right

*Presentation to the California Water Association  
Spring Meeting*

May 17, 2018

# AGENDA

- 1) Why TFFT was launched
- 2) The Campaign Today
- 3) Successes and Challenges
- 4) Coming Soon to California
- 5) Questions



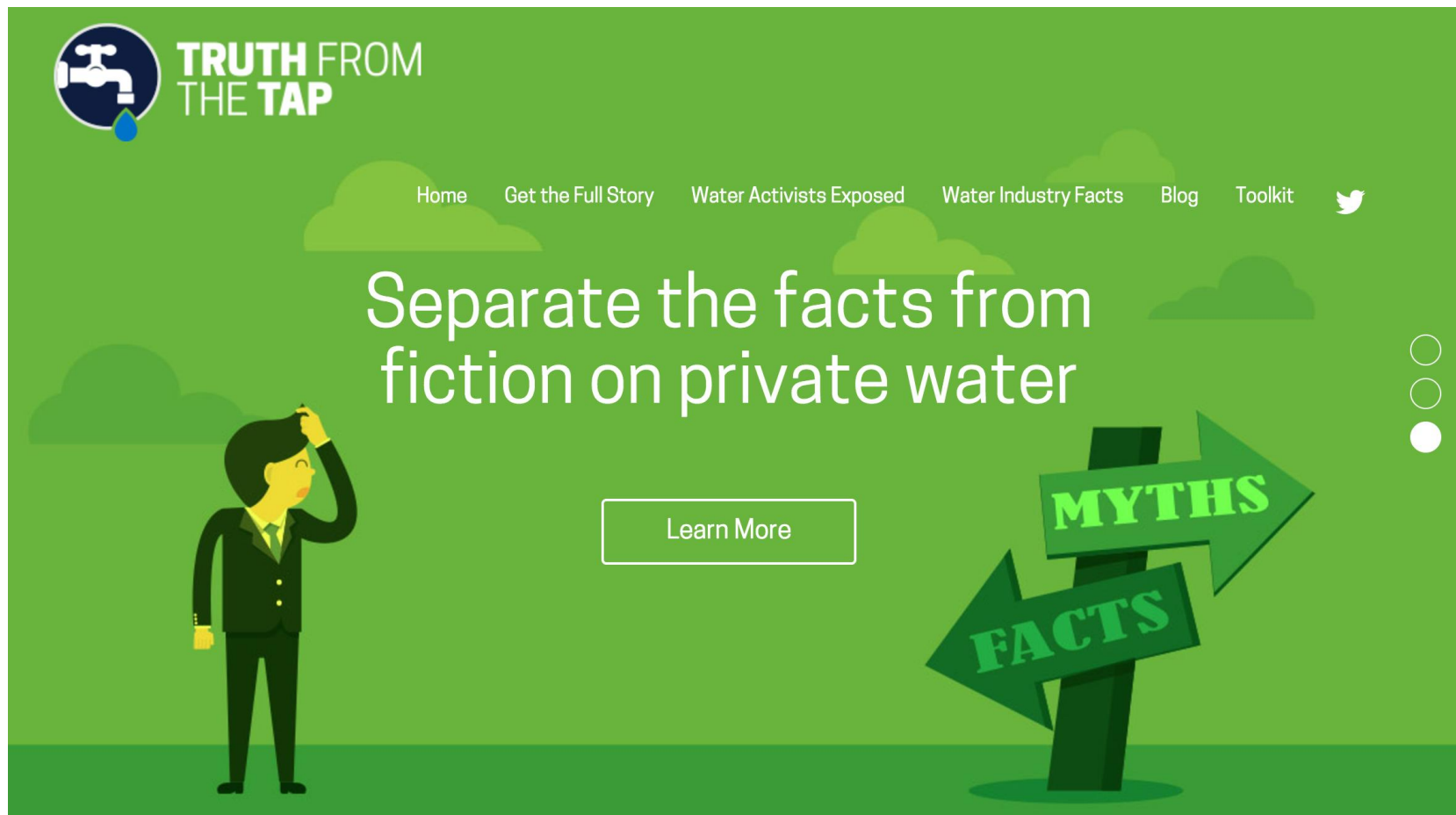
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# WHY TFTT WAS LAUNCHED

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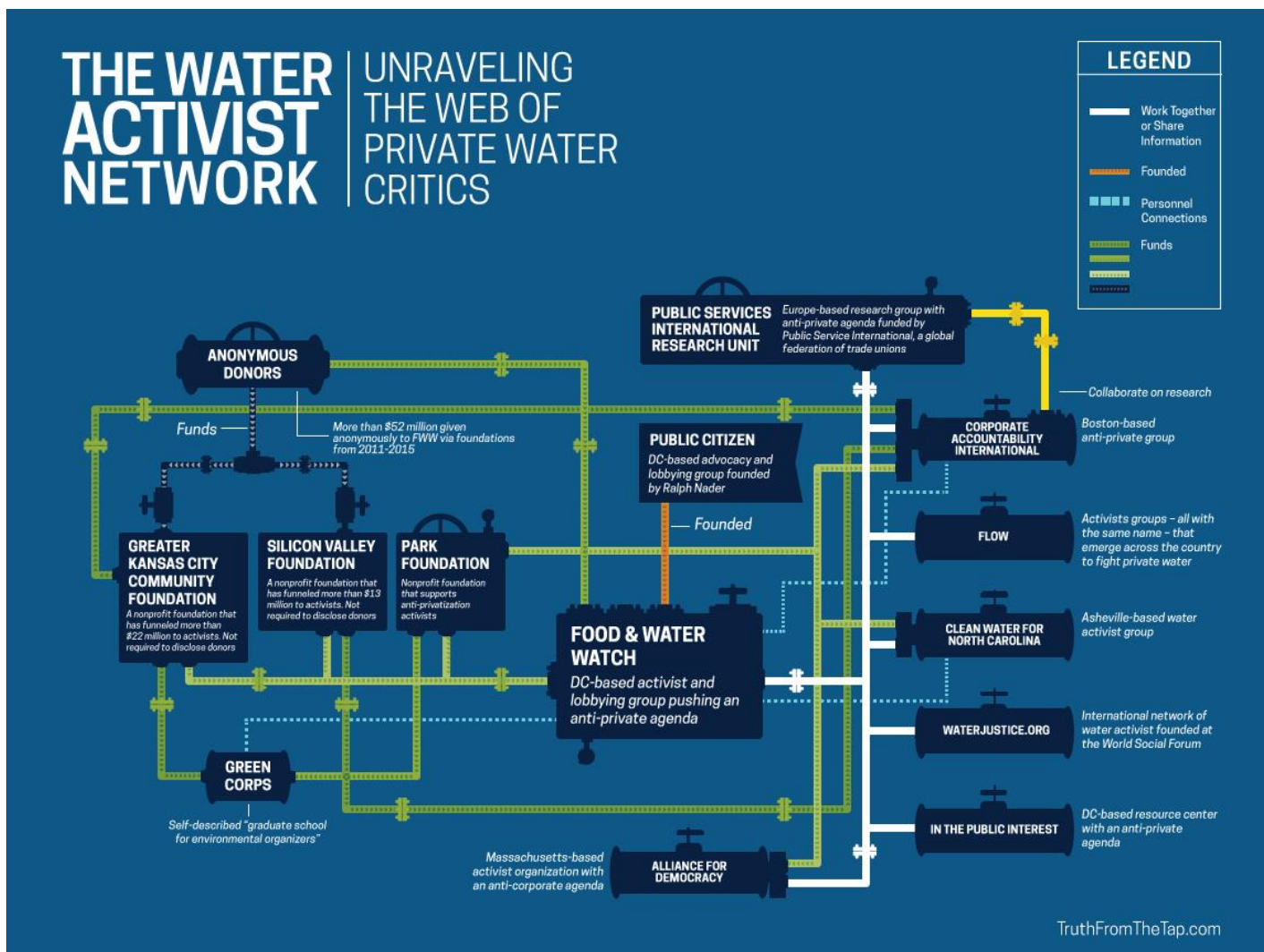
# A FACT CHECK CAMPAIGN





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# THE ACTIVIST NETWORK



Strengths of the activist network include:

- **SPEED TO MARKET** – Critics are typically on the ground quickly, before pro-private voices.
- **ORGANIZING** – Activists understand and exploit the existing political apparatus of a community through champions for their issue (e.g., organized labor; environmentalists).
- **PLANTING / SUPPORTING AFFILIATES** – FWW organizes concerned citizens into ‘FLOW’ groups (Friends of Locally Owned Water), supports / directs these groups against private water.
- **EMOTIONAL APPEAL** – Activists make water an emotional issue; electric / gas or other regulated utility debates typically don’t generate such high emotions.
- **MOUNTAIN OF RESEARCH** – At first glance, activist materials appear well-researched, legitimate, even academic.
- **WELL FUNDED** – FWW had expenditures of over \$17 million in 2016.
- **COORDINATING WITH LIKE-MINDED GROUPS** – Corporate Accountability International; Public Citizen; PSIRU; Transnational Institute have all worked together and with FWW.



# PROTECTING THE DEBATE

**THE HILL**

## Trump's infrastructure plans will hamper access to clean water

BY KELLE LOUAILLIER, CONTRIBUTOR - 01/03/17 03:40 PM EST

71 SHARES

SHARE (71) TWEET PLUS ONE

Just In...

Trump EPA pick leaves conservative law group  
ENERGY & ENVIRONMENT  
— 3M 51S AGO

Meghan McCain: 'This Meryl Streep speech is



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**CORPORATE  
ACCOUNTABILITY  
INTERNATIONAL**

Keep private corporations  
from taking over our water  
systems.



**THE NATION.** Politics World Economy Culture Take Action

DISASTER CAPITALISM TAX CUTS DONALD TRUMP

## Trump's Infrastructure Plan Is a Full-on Privatization Assault

*There's a much better way to create jobs and rebuild our country's crumbling infrastructure.*

By Michelle Chen

**THE AMERICAN PROSPECT**

Home Magazine Blogs Voices Editors Picks Trickle Downers Subsc

## Public Infrastructure as Stealth Privatization

DONALD COHEN DECEMBER 21, 2016

Trump's infrastructure plans could raise costs, enrich financiers, and fleece the public.

# PROTECTING THE DEBATE



## The Progress - Index

**Community would benefit working with a private water company**

**Montana not a good Example, public takeover a bad option**

## Pittsburgh Post-Gazette

Don't take PWSA privatization off the table; it's a viable option



## US water infrastructure challenges need private sector participation

BY MICHAEL DEANE, OPINION CONTRIBUTOR - 03/24/17 07:00 AM EDT

66 COMMENTS



**Corporate watchdog using scare tactics to hide truth on water crises**

BY MICHAEL DEANE, CONTRIBUTOR - 01/06/17 05:20 PM EST

10 SHARES

[f SHARE \(10\)](#)
[TWEET](#)
[G+ PLUS ONE](#)

Just In...

Offshore drilling regulator tapped to lead solar group  
**ENERGY & ENVIRONMENT**  
— 5M 46S AGO

Trump, Sanders, Schumer battle GOP cuts to Medicare and Social Security  
**CONTRIBUTORS**  
— 6M 29S AGO

Tommy Thompson: On being a Cabinet secretary  
**CONTRIBUTORS**  
— 16M 22S AGO



© Getty Images

In her piece, "Trump's infrastructure plans will hamper access to clean water," Corporate Accountability International President Kelle Louallier once again ignores critical, well-known facts in the discussion around private water operators and infrastructure.

**CONTRIBUTOR'S SIGNUP**  
Sign up to become a Contributor

**JOIN THE MOVEMENT.**





MOVING WATER FORWARD

Michael Deane  
Executive Director

2001 I Street, NW, Suite 850 • Washington, DC 20036 • t 202.833.8383 • f 202.331.7442 • www.nawc.org

Petersburg City Council  
135 N. Union St.  
Petersburg, VA 23803

March 10, 2017

Dear City Council Members,

The National Association of Water Companies (NAWC) has been following Petersburg's water system challenges, including the details of the public forum on February 21, 2017. Having read the press coverage of the forum and the details of the objections raised by some, I am compelled to reach out to you with objective information on regulated water utilities and to correct some misinformation.





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# OUR PROCESS & APPROACH

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# PROCESS & APPROACH

## FORWARD OBSERVER

### Stakeholder Analysis

- Finances and Personnel
- Strategies, Tactics and Credibility

### Narrative Analysis

- Content inventory and analysis
- Evidence inventory and analysis

### Rebuttals

- Side-by-side comparison of messages and evidence
- Identification of best rebuttal content in public domain
- Identification of gaps in narrative

### Campaign Strategy & Research

- Rapid response content
- Original content

## H+K STRATEGIES

### Digital Media / Website

- Rebuttal website
- Social media presence
- Digital ads/targeting

### Media / Stakeholder Relations

- Media outreach/materials
- Stakeholder resources
- Rapid response execution

**PHASE 1:  
RESEARCH**

**PHASE 2:  
IMPLEMENTATION**



# FOUNDATION OF RESEARCH

Phase 1 established the fact base for effective rebuttals:

## **ANALYZED CRITICS:**

- stakeholder analysis of funding, expenditures, personnel

## **ANALYZED CRITIC CONTENT:**

- reviewed 219 studies, reports, releases, case studies
- materials cite examples from 21 states and 68 municipalities
- identified 41 assertions on 6 key topics

## **ANALYZED CRITIC EVIDENCE:**

- identified and analyzed 124 third party studies cited in materials

## **IDENTIFIED GAPS IN INDUSTRY & MEMBER CONTENT:**

- reviewed NAWC content (website and online library)
- identified content gaps, NAWC vs. critics

## **ORGANIZED PUBLIC DOMAIN CONTENT:**

- identified and cataloged additional public domain content



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**TFTT TODAY**

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## We are in campaign mode.

- **ENGAGING WITH NAWC MEMBERS**
  - Strategy and content development, rapid response, media outreach, briefings for local officials and media, opposition monitoring
- **CREATING TFFT-BRANDED CONTENT**
  - 30+ customizable fact sheets and rebuttal documents
  - 9 infographics
  - 125+ blog posts developed for TruthfromtheTap.com
  - 30+ media placements
- **GROWING DIGITAL FOOTPRINT**
  - 1,431 Twitter followers
  - Nearly 80,000 Twitter impressions each month
  - Over 172,000 visitors to TruthfromtheTap.com

# Get the Full Story



## WATER WISE

Separate water facts from activist fiction

[Read More](#)



## ACTIVIST ERRORS

Learn more about the many ways critics get it wrong on private water

[Read More](#)



## SHALLOW ANSWERS

Discover the truth about critics' "solutions" to local infrastructure needs

[Read More](#)



## CLEARING THE WATER

Get the real story behind activist groups' favorite "case studies"

[Read More](#)



**TRUTH FROM THE TAP**

Home Get the Full Story Water Activists Exposed Water Industry Facts Blog Toolkit

## Download the Toolkit

Learn how activist groups are misleading your community about private water operators.

[Learn More](#)

## Oroville, Calif.

California Water Service has served Oroville residents and businesses for nearly years, yet a few activists are trying to manufacture a takeover of Cal Water's operations, business, and property.

Since 1977, Cal Water has provided safe, reliable and high-quality water services to the residents and businesses of Oroville. Today, Cal Water serves approximately 12,400 residents of Oroville and several nearby communities and continues to invest in infrastructure. Between 2007 and 2015, Cal Water has made more than \$57 million in improvements to the water system, ensuring the city has safe and reliable drinking water.

### THE FACTS ABOUT A TAKEOVER OF CAL WATER'S SERVICE AREA

FACT	FACT	FACT
Just in northern California, a number of water suppliers have rates that are substantially higher than at Oroville customers pay. For example, Paradise Irrigation District (PID) recently adopted new water rates. Under the new rates, a typical PID customer will pay about 10% more for their monthly water service than a typical Cal Water customer in Oroville.	Contracted takeovers are typically very costly for the acquiring government entity and do not necessarily result in lower rates or better service than private ownership positions. (California Water Association study)	Cal Water's typical single-family residential customer in Oroville uses about 5724 gallons of water every month. Their monthly water bill works out to about \$2.00 a day - less than a penny per gallon of water. (Cal Water Oroville fact sheet)

If a government entity takes a local water system using eminent domain, it is required to pay the water company millions and millions of dollars for forcibly seizing the property and business. Activists use law fair activists to justify trying to take over water systems. Government takeovers and upcoding many times more than original estimates, and taxpayers end up paying for all of it.

#### Water System Takeover Costs

<p><b>Myth vs. Fact: The Truth about Private Water</b></p> <p><a href="#">Download PDF</a></p>	<p><b>FAQs about Private Water</b></p> <p><a href="#">Download PDF</a></p>	<p><b>The Water Activist Network</b></p> <p><a href="#">Download PDF</a></p>
<p><b>How Critics Get it Wrong on the Private Water Industry</b></p> <p><a href="#">Download PDF</a></p>	<p><b>The Truth about Private Water in Atlanta, GA</b></p> <p><a href="#">Download PDF</a></p>	<p><b>The Truth about Private Water in Gary, IN</b></p> <p><a href="#">Download PDF</a></p>
<p><b>The Truth about Private Water in Indianapolis, IN</b></p> <p><a href="#">Download PDF</a></p>	<p><b>The Truth about Private Water in Felton, CA</b></p> <p><a href="#">Download PDF</a></p>	<p><b>The Truth about Private Water in Milwaukee, WI</b></p> <p><a href="#">Download PDF</a></p>
<p><b>Four Questions on Condemnation</b></p> <p><a href="#">Download PDF</a></p>	<p><b>By the Numbers</b></p> <p><a href="#">Download PDF</a></p>	<p><b>PUPB: Another Fairy Tale Solution From Food &amp; Water Watch</b></p> <p><a href="#">Download PDF</a></p>

## Clearing the Water

The real story behind activist groups' favorite

Groups like Food & Water Watch – as well as their national and international allies, like Corporate Accountability International, in the Public Interest and Public Services International Research Unit – regularly distort the private water experience in just a handful of cities to make their ideological cases against private water. Over and over again, critics point to these five cities to argue that private water doesn't work.

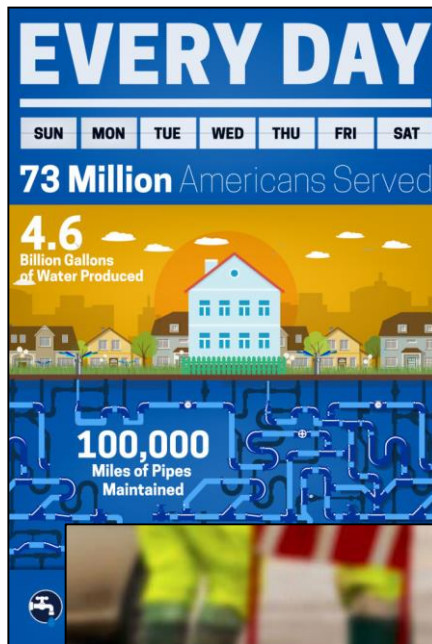
But their favorite "case studies" contain more fiction than fact. Activist groups rely on partial timelines, made-up facts and biased reports to paint a purposefully misleading picture of what happened during private operation – and more importantly, what's happened since.

<p><b>ATLANTA, GA</b></p> <p><a href="#">Read More</a></p>	<p><b>FELTON, CA</b></p> <p><a href="#">Read More</a></p>	<p><b>GARY, IN</b></p> <p><a href="#">Read More</a></p>
<p><b>INDIANAPOLIS, IN</b></p>	<p><b>MILWAUKEE, WI</b></p>	

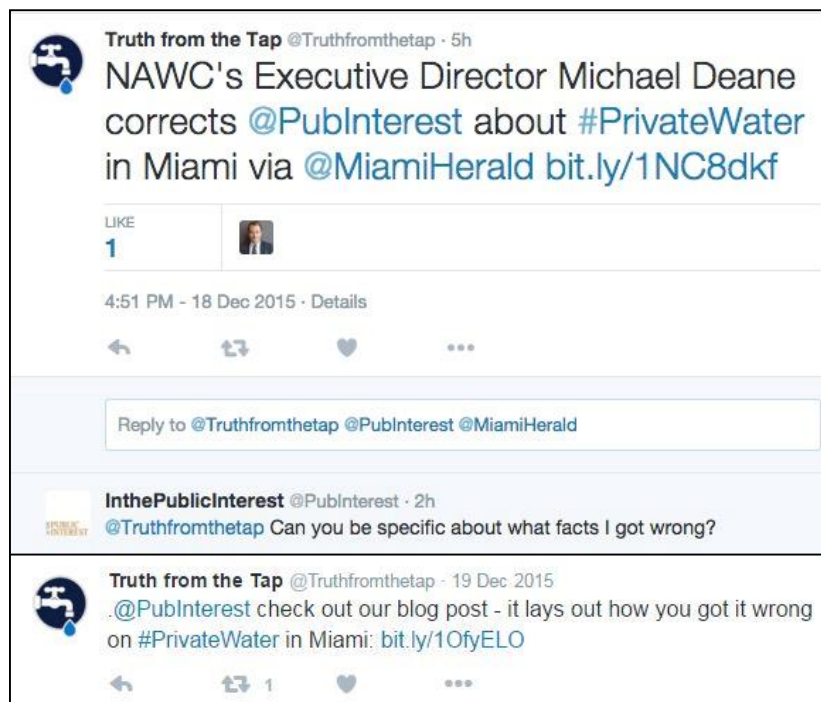
# Condemnation



# THE CAMPAIGN TODAY



# THE CAMPAIGN TODAY



## A rapid response win – timeline:

**Dec. 2 ...** In the Public Interest's David Cohen publishes Op-Ed in Miami Herald.

**Dec. 17 ...** Truth from the Tap publishes LTE response in Miami Herald.

**Dec. 20 ...** In the Public Interest tweets at us asking for specifics on what they got wrong.

**Dec. 21 ...** Truth from the Tap publishes more detailed response on TFFT blog; tweets link back at In the Public Interest.

**Since then ...** In the Public Interest has deleted the exchange from their Twitter feed.



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# **SUCCESSSES & ONGOING CHALLENGES**

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# SUCCESS: CASE STUDIES

FWW has largely moved away from its case study, footnote-driven approach.

**March 2015:**  
**34 case  
studies on  
FWW website**

**Sept. 2016:**  
**0 case  
studies on  
FWW website**

**ARIZONA**

Cave Creek  
Type: Public victory (municipalization)  
Year: 2008  
Summary: The town purchased

**CALIFORNIA**

Felton  
Type: Public victory (municipalization)  
Year: 2008  
Summary: After a concerted effort, the town's water system from a sub

Montara  
Type: Public victory (municipalization)  
Year: 2003  
Summary: The town purchased

Monterey County  
Type: Ongoing (municipalization)  
Summary: Public Water Now is s  
American Water. [\[Read more\]](#)

San Diego  
Type: Ongoing (privatization)  
Summary: The city is pursuing p  
competition. Public workers hav  
[\[Read more\]](#)

**FLORIDA**

Statewide  
Type: Public victory (municipalization)  
Year: 2013  
Summary: FLOW Florida wa  
company sold all of its Flori  
[\[Read more\]](#)

Citrus County  
Type: Public victory (preve  
Year: 2012  
Summary: The Citrus Count  
and environmental groups -  
county commission voted to  
utilities. [\[Read more\]](#)

**OHIO**

Akron  
Type: Public victory (prevented privatization)  
Year: 2008  
Summary: Voters rejected leasing their sewer system to a private entity and amended the city charter to require a referendum on any future proposal to sell, lease or transfer the city's utilities. [\[Read more\]](#)

**PENNSYLVANIA**

Allentown  
Type: Stopped privatization  
Year: 2013  
Summary: A grassroots community group fought the mayor's proposal to privatize the city's water and sewer systems for 50 years. Instead of privatization, the city leased its systems to a nonprofit public authority. Although this outcome is not perfect, Allentown residents avoided the rate gouging and other poor practices of the private water companies that also bid on the systems. [\[Read more\]](#)

Emmaus  
Type: Public victory (prevented privatization)  
Year: 2005  
Summary: Paul Marin and his fellow Emmaus residents formed Emmaus Friends of Locally Owned Water and successfully stopped the proposed privatization of their water system. [\[Read more\]](#)

**GEORGIA**

Atlanta  
Type: Public victory (remun  
Year: 2003  
Summary: The city dissolved  
contract, which began in 19  
Water [\[Read more\]](#)

# SUCCESS: CASE STUDIES

**Taking away case studies severely limits the FWW playbook.**

**FWW has now recognized they are being fact-checked.**

Rebuttal strategy: We must show critic 'case studies' are deeply flawed

Case Study Locales by Frequency, Theme, and System Operator (since 2009)

Locale	Mentions	Themes	Operator
Milwaukee, Wisconsin	19	Operations, Concessions, Control	United Water
Gary, Indiana	17	Costs, Operations, Employees	United Water
Indianapolis, Indiana	15	Costs, Operations, Employees, Concessions	Veolia Water
Camden, New Jersey	13	Operations, Employees	United Water
Atlanta, Georgia	12	Costs, Operations, Employees	United Water
Allentown, Pennsylvania	10	Costs, Concessions, Control	n/a
Felton, California	8	Costs, Control	California American
Franklin Township, New Jersey	7	Costs, Employees, Control	n/a
Cave Creek, Arizona	6	Costs, Operations, Control	Arizona American
Bethel, Connecticut	5	Costs, Concessions, Control	Aquarion
Gloucester, Massachusetts	5	Operations	United Water
Lynn, Massachusetts	5	Costs, Employees	Veolia Water (U.S. Filter)

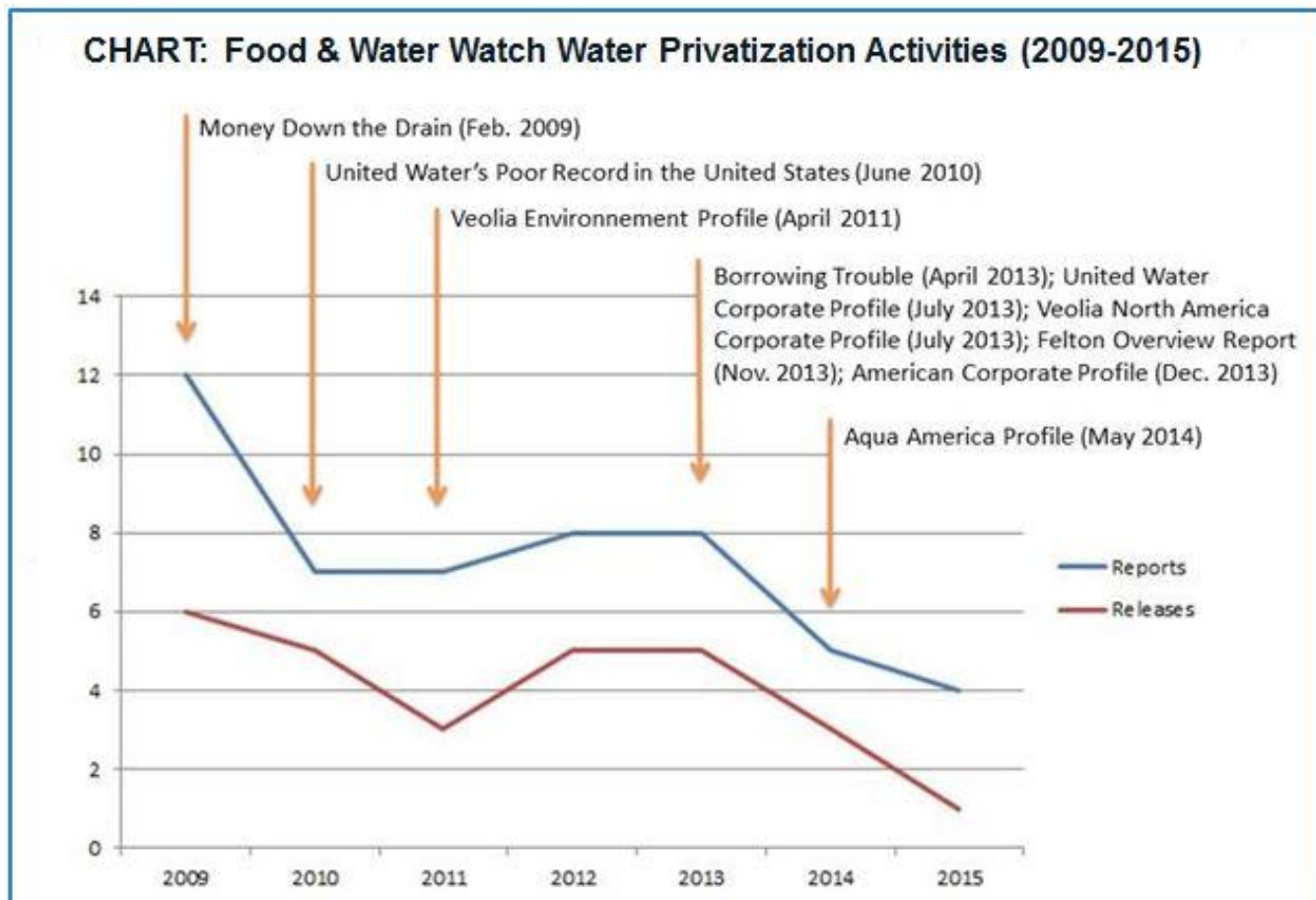
## Keys to effective, 'sticky' rebuttals:

- Fact-based – not PR talking points, but facts drawn from public domain
- Use original sources – state audits, independent studies, testimony
- Third party validation – sources perceived as neutral

*Screenshot of Forward Observer presentation to NAWC Board, June 2015*



# SUCCESS: CASE STUDIES



*Screenshot of Forward Observer presentation to NAWC Board, March 2016*



# SUCCESS: GROUNDING THE DEBATE



## U.S. Water Systems Need Sustainable Funding: The Case for the Water Affordability, Transparency, Equity and Reliability (WATER) Act

Fact Sheet • May 2016

Our nation's public water systems have provided reliable access to drinking water and safe disposal of wastewater for decades, yet a crisis looms. Some water lines are over a century old<sup>1</sup> and may no longer be capable of delivering safe water to our homes, schools and businesses. Many systems have old lead and cast iron pipes that need to be replaced to ensure that Americans have access to safe public drinking water.<sup>2</sup> The Water Affordability, Transparency, Equity and Reliability (WATER) Act would create a dedicated, sustainable source of funding to update our essential drinking water and sewer systems and replace aging and lead-ridden pipes.

It is essential that we reverse the current decline in federal funding. Congress passed the Clean Water Act and the Safe Drinking Water Act to ensure that our waterways are protected<sup>3</sup> and that our drinking water is safe.<sup>4</sup> However, since the 1980s, the federal government has cut back funding to communities for water infrastructure, with assistance falling to 30-year lows during the George W. Bush administration.<sup>5</sup> Since its peak in 1977, federal funding for water infrastructure has been cut back by 74 percent in real dollars (see Figure 1 on page 2).

On a per capita basis, federal funding has declined 82 percent since its peak. In 1977, the federal government spent \$76.27 per person (in 2014 dollars) on our water services, but by 2014 that support had fallen to \$13.68 per person.<sup>6</sup>

At the same time, most of the water pipes under our streets were built at least half a century ago in the years immediately following World War II.<sup>7</sup> Now, this infrastructure is wearing out and many water lines have already reached the end of their usefulness, with much of the rest expected to fail within the next few decades.<sup>8</sup> This lack of investment in communities' water infrastructure poses a danger to the environment and threatens the safety of our drinking water for future generations.

The crisis in Flint, Michigan has brought attention to the serious problem of lead service lines and the dire need to invest in our water and sewer infrastructure. Nationwide, over 6 million lead service lines deliver water to millions of people.<sup>9</sup> Replacing these



July 5, 2016

Water

## Support the water act: Give our public water systems the investment they need!

## Advertising

Network	Impressions	Engagements	Result rate
Google Display	407,656	961	0.24%
Google Search	140,848	5,825	4.14%
Twitter Campaign	73,689	5,022	6.82%
<u>StackAdapt</u>	188,868	532	0.28%
Total	811,061	12,340	1.52%

## Month-over-Month Website Traffic

Month	Visits	Unique Visitors	Page Views	Avg. Session Duration
March	8,290	6,915	10,211	0:28
February	7,099	5,928	9,126	0:30

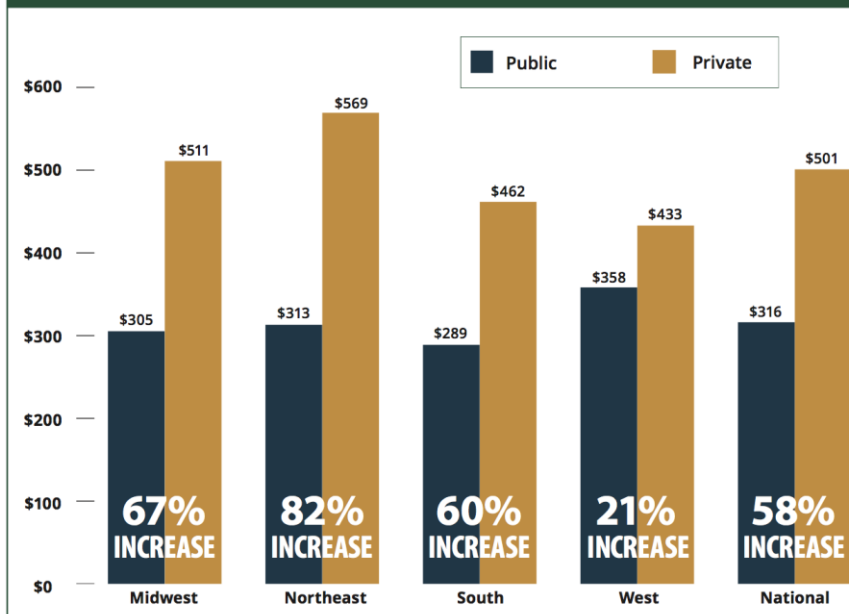
# CHALLENGE: RATES



## THE STATE OF PUBLIC WATER IN THE UNITED STATES

**Figure 5: Average Annual Water Bill 2015**

For Households Using 60,000 Gallons a Year Based on the 500 Largest Community Water Systems







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# CHALLENGE: RATES

## WHY RATE COMPARISONS ARE BOGUS

### CLAREMONT, CA WATER SYSTEM

Privately Owned  
Golden State Water Company

**\$88.96<sup>iii</sup>**

  
COST PER MONTH FOR  
WATER SERVICE  
2014-2015 (20 CCF)

Experts at the California Public Utilities Commission set water rates for the Claremont system every 3 years.<sup>iv</sup>

Golden State must prove in a court of law its rates are justified and reasonable.



ACCOUNTABILITY

**1.5 Miles** of pipeline replaced on average per year, equating to a 100-year replacement cycle for its 150-mile system.<sup>v</sup>

This replacement rate cycle is recommended by and based on the KANEW pipeline replacement computer modeling program.<sup>vi</sup> Pipe replacement is paid for with revenues from water rates.

According to the American Society of Civil Engineers, "to continue to delay such investment only escalates the costs and risks of an aging infrastructure system."<sup>vi</sup>



PIPE REPLACEMENT  
Over the last 10 years

**\$13.7 Million<sup>viii</sup>**



TOTAL CAPITAL  
INVESTMENTS  
From 2011-2014

### LA VERNE, CA WATER SYSTEM

Government Owned  
City of La Verne

**\$65.96<sup>ix</sup>**

Water rates and fees are set by the City Council of La Verne.<sup>x</sup>

When water rates are set by local politicians with no water-related experience, the rate setting process often becomes politicized.

**5 Feet** of pipeline replaced on average per year, equating to a 148,000-year replacement cycle for its 140-mile system.<sup>xi</sup>

The City of La Verne has no pipeline replacement program.<sup>xii</sup> Since La Verne does not replace underground pipeline as scheduled maintenance, it does not need to factor that cost into water rates.<sup>xii</sup>

La Verne's public works director testified that having a pipeline replacement program is a useless exercise.<sup>xiii</sup>

**\$1.9 Million<sup>xv</sup>**

While Claremont's average monthly rate is slightly higher than La Verne, Golden State Water invested **600%** more in water infrastructure in Claremont than what the City of La Verne invested in its system between 2011 and 2014.

**Which system do you think is stronger and better prepared to meet future water infrastructure challenges?**



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# TFTT IN CALIFORNIA

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# COALITION ON RATES REFORM

## Coalition to Reform Private Water Rates & Regulation

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### NEWS YOU NEED



#### Mueller has Comey firing draft letter

Special counsel Robert Mueller's team of investigators is in possession of a letter drafted by President Donald

## Water bill has residents steaming

### Park meeting called to set plan of action

By CHARLES F. BOSTWICK  
Valley Press Editor

LANCASTER — More than 70 west Lancaster residents gathered to voice complaints about water bills they say commonly amount to hundreds of dollars a month and sometimes over \$1,000.

Residents of the Park Somerset neighborhood and adjoining areas served by California Water Service Company, a private firm that serves about 1,400 homes

keeping going up, saying they are paying four times the rate charged by other local water agencies.

"Last summer, my bill averaged \$1,200," said one man, a 21-year resident who didn't want to be identified. "I water three days a week. I have installed every device Cal Water recommended. My monthly bill during this summer is still \$1,200."

The residents gathered in Sgt. Steve Owen Memorial Park Thurs-



#### TALKING TO CUSTOMERS

California Water Service Company's local manager, Chris Whitley, talks to more than 70 of the company's customers upset about their water bills. The gathering was Thursday evening in Sgt. Steve Owen



## COALITION ON THE CPUC:

- Allows private utilities to charge customers **three to five times more** than publicly-owned water utilities.
- Requires customers to **pay companies for water not used** due to conservation (WRAM).
- **Fails to track or verify spending** and results for infrastructure projects.
- Allows water companies to **abuse advice letters** “in the same way a college freshman might write home to mom and dad for more money.”
- **Guarantees record-breaking profitability** of investor-owned monopolies (a 36.4% return).
- Undermines and **routinely dismisses local officials and local consumer protection** when setting water rates.
- Gives **official favoritism** toward the Class A investor-owned water utilities, including **special access for company officials and their lobbyists**.



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# TFTT REBUTTALS [DRAFT]



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[www.TruthFromTheTap.com](http://www.TruthFromTheTap.com)

A campaign of the National Association of Water Companies

## CALIFORNIA'S WATER COMPANIES: [#YEARS] OF SERVICE

Six million Californians are served by California's water companies. From investing in new treatment facilities and miles of new water pipe to addressing the state's unique water challenges with technological advances and conservation efforts, California's water companies are leading the way to make sure customers have the quality water they need for generations to come.



\$250.6 Million



\$140 Million



\$110 Million



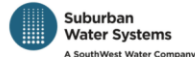
\$88.1 Million



\$19.9 Million



\$19.6 Million



\$16 Million



\$1.5 Million

California's largest regulated water utilities invested more than **\$645 million** in 2017 to improve and upgrade the infrastructure that delivers water to the communities they serve.

Every year, California's water companies make significant investments in their water systems to ensure that customers have safe, reliable water service.

### START

#### TEST YEAR

Historical and recorded costs for the past 5 years must be analyzed in the GRC. The process uses a future 12-month period to calculate and forecast the revenue required for the utility's costs in providing safe, reliable service.

#### REVIEW

A utility determines the costs required to operate and maintain the drinking water system. This work takes 6-12 months prior to submittal of the proposed application.

#### NOTIFY

60 days before the formal GRC begins, the utility submits a proposed application (PA) to ORA, who ensures the PA has all the necessary information required.

#### DAY 1 GRC FILED

The formal GRC application is filed with the CPUC. Utility testimony is included.

#### 1-2 MONTHS PHC

Once filed, the administrative law judge (ALJ) holds a pre-hearing conference (PHC), establishes the scope and schedule, appoints the independent water quality expert, and affirms the parties (formal litigants) in the case.

#### 3-7 MONTHS ORA REVIEW

ORA staff and other parties review, evaluate, and offer their opinions and testimony on the application. There are also public participation hearings, where customers and others can provide input.

#### 4-10 MONTHS HEARING

The ALJ hears from expert witnesses during the evidentiary hearings, which are open to the public. Parties meet to resolve differences. Parties can also engage in settlement discussions.

PREPARATION

### HOW RATES ARE SET IN

*California*

FOR REGULATED WATER UTILITIES

Rates for California's largest regulated water utilities are set by an independent agency - the California Public Utilities Commission - after a comprehensive process that protects communities by ensuring adequate investment in safe, reliable water systems.

These utilities are required by law to file a general rate case (GRC) every three years. The GRC is a formal legal proceeding. It is a public process that includes notices, meetings, hearings and other opportunities for input by all interested individuals and groups, especially customers.



Utilities with single customer districts have a 14-month GRC cycle, while utilities with multiple districts have a 20-month cycle. The ranges shown reflect the timing differences for each.



The Office of Ratepayer Advocates (ORA) represents customers. Its statutory mission is to obtain the lowest possible rate for service consistent with safety, reliability, and the state's environmental goals.

### NEW RATES BECOME EFFECTIVE

#### 8-16 MONTHS PROPOSED DECISION

The ALJ issues a Proposed Decision (PD). Parties may file comments and then reply to other parties' comments. Under strict ex-parte rules, parties can meet with commissioners and staff to discuss the PD.

#### 9-18 MONTHS CPUC VOTE

The 5 CPUC Commissioners vote on the PD at an open, public meeting. A final decision is issued, which contains all of the orders the utility must implement in the next three years.



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**QUESTIONS?**

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