

Regulated Water Utilities: Investing In Tomorrow

THE U.S. has an infrastructure crisis, one that has bedeviled federal, state and local governments for decades, and one that costs the United States economy billions of dollars a year and wastes precious natural resources.

Last year, the American Society of Civil Engineers (ASCE) gave America's infrastructure a "D+" grade in its annual Infrastructure Report Card. ASCE estimated that our country's infrastructure needs \$4.6 trillion dollars of work, including \$1 trillion worth of investment over the next 25 years for the nation's drinking water systems.



Morales

ASCE noted in its 2017 Infrastructure Report Card that there are an estimated 240,000 water main breaks per year in the U.S., wasting over 2 trillion gallons of safe drinking water. In California, ASCE found that drinking water systems would require \$44.5 billion

dollars over the next 20 years to maintain and expand their services.

Recognizing the amount of water wasted by leaks within California's water infrastructure, Governor Jerry Brown has signed into law two bills that set new water-use efficiency standards and also require water providers to reduce the amount of water lost to leaks within their water system.

Some of California's largest water utilities are regulated by the California Public Utilities Commission (CPUC), and they are committed to doing their part to confront the infrastructure challenge. In 2017, these nine water utilities invested more than \$645 million into improving and upgrading the water systems that deliver water to the communities they serve.

Some of the efforts they undertook last year included:

- \$250 million to replace more than 23.7 miles of water mains, install 16 generators and construct three tanks, one groundwater well and four booster pump stations within California Water Service Company's service area, which includes Antelope Valley, East Los

Angeles and Westlake.

- \$110 million to replace 39 miles of aging pipes throughout Golden State Water Company's 38 water systems, which includes Culver City, the San Gabriel Valley and Simi Valley, and more \$4.3 million to address water supply, treatment and distribution needs in the drought-stricken Los Osos and Santa Maria service areas.

- More than \$88 million by California American Water for a variety of investments in replacing water mains, and constructing new storage reservoirs and water treatment plants.

- Nearly \$20 million in San Gabriel Valley Water Company's service area for infrastructure improvements, including a new groundwater well and a water storage reservoir, as well as more than 12 miles of new water mains.

- More than \$19 million in Liberty Utility's Apple Valley and Los Angeles County service areas to replace pipelines and water mains.

The challenges of delivering a dependable and safe water supply to California's communities, especially with the droughts that

regularly impact the state, and will do so again in the future, are hot topics currently being debated by legislators, regulators and water providers.

The Budget Conference Committee recently approved \$23.5 million in General Fund dollars for safe drinking water, while lawmakers will continue consideration of a statewide fee on customers' drinking water bills to help finance a safe and affordable drinking water fund.

By working closely with the CPUC, regulated water utilities are focused on ensuring adequate investments in water systems so that more water makes it to the tap.

By any measure, a D+ grade report is unacceptable, especially when it comes to such an important resource. Regulated water utilities are committed to installing and maintaining infrastructure that achieves the high marks that communities deserve for today and tomorrow.

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