

July 29, 2021 LIHWAP Public Meeting Written and Verbal Comments

The Department of Community Services and Development (CSD) held a Low Income Household Water Assistance Program (LIHWAP) public meeting on July 29, 2021, to receive comments on program implementation from interested parties and members of the public. CSD is in the process of developing draft program guidelines, taking into consideration the comments received during this public meeting. CSD will host additional input sessions with Local Service Providers (LSPs), stakeholders, and the public in early Fall to receive comments on the draft LIHWAP guidelines. CSD will consider input received at future input sessions in the finalization of program guidelines.

The following public comments and corresponding CSD responses have been organized by category. To access the complete written comments, please click on the organization or member of the public listed below.

The following organizations and members of the public submitted written comments:

[California Association of Sanitation Agencies \(CASA\)](#)

[California Municipal Utilities Association \(CMUA\)](#)

[California Special Districts Association \(CSDA\)](#)

[California Urban Water Agencies \(CUWA\)](#)

[California Water Association](#)

[Central Coast Energy Services](#)

[City of Los Angeles, LA Sanitation and Environment](#)

[City of Roseville](#)

[Community Action Partnership of Riverside](#)

[Garry Swaffer, Individual](#)

[Los Angeles Water and Power \(LADWP\)](#)

[Redwood Community Action Agency](#)

[Joint Letter](#)

- Clean Water Action
- Community Water Center – El Centro Comunitario Por El Agua
- Leadership Counsel for Justice and Accountability
- Los Angeles Alliance for a New Economy (LAANE)
- National Resources Defense Council (NRDC)

To review the written transcript of the July 29, 2021 LIHWAP public meeting, please click [here](#).

To listen to the public meeting and comments and questions received, please click [here](#).

Category	Comment	CSD Response
Administrative Cost	<p>California Municipal Utilities Association (CMUA): We support CSD’s plans to use existing processes, procedures, and policies currently established by LIHEAP with the exception noted above [<i>exception refers to CMUA comment concerning the allocation methodology recommending using a federal poverty factor (FPL) above 125%- see full comment below</i>]. However, given that fact, we expect the administrative costs also would be streamlined and be less than the proposed 28 percent. For example, many statutes and state agencies use only five percent for their administration costs, even absent alignment with other existing programs. In addition, if the same Local Service Providers (LSPs) are performing the eligibility determination, we believe 13 percent is excessive.</p>	<p>As specified in the LIHWAP Terms and Conditions, administrative costs may not exceed 15%. LIHWAP will require the implementation of new systems and processes to manage the payment transaction to thousands of water and wastewater suppliers (hereinafter water suppliers). CSD anticipates higher upfront costs to establish and implement a payment system for CSD and LSPs, requiring the full 15 percent for administration to successfully implement.</p> <p>In accordance with federal guidance, States have discretion regarding the percentage allocation for Outreach/Intake and Eligibility costs. These cost items are considered program support costs as they support specific program-related activities geared toward increasing public awareness to the availability of LIHWAP assistance and assisting enrollment into the program. CSD applied the allocation percentage for LIHWAP based on the percentage allocated under LIHEAP. LIHEAP state statute requires that outreach is set at 5% and CSD policies have set intake/eligibility at 8%. CSD and the LSPs will need to build relationships with water suppliers to effectively coordinate benefit delivery, develop customer referral strategies to inform customers of available discount programs or</p>

		<p>other resources to further offset utility bills, assist customers with enrollment, and conduct outreach strategies to promote awareness of the LIHWAP program. CSD anticipates the need to retain current allocation percentages to successfully administer the LIHWAP program.</p> <p>CSD's objective is to streamline processes and procedures to the extent practical and leverage existing resources with the State Water Board and associations. However, CSD has to ensure that local service providers (LSP) and CSD have adequate funding to support the successful implementation and administration of the LIHWAP.</p> <p>CSD is developing draft program guidelines to obtain additional input from LSP and stakeholders on opportunities to reduce administrative and program costs. This input will be considered prior to finalizing program guidelines.</p>
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	<p>Joint Letter (Clean Water Action, Community Water Center – El Centro Comunitario Por El Agua, Leadership Counsel for Justice and Accountability, Los Angeles Alliance for a New Economy [LAANE] and National Resources Defense Council [NRDC]):</p> <p>We are concerned by the significant costs identified in Section 1.4 of the draft plan, which proposes diverting 28% of the federal award away from households in need in order to pay for administration, outreach, and eligibility determination. We believe this is excessive and urge the Department to limit their total overhead and outreach costs to no more than 20% of the award. We believe this can be accomplished through closer coordination with the State Water Board’s similar efforts. We recommend that the Department delay implementation in order to take advantage of the data that will be assembled by the State Water Resources Control Board (“State Water Board”) to inform its program. The Department can take advantage of updated contact information, greater specificity about the allocation of debt around the state and can potentially communicate with the state’s public water systems directly as part of the State Water Board’s process.</p>	<p>See CUMA response above.</p>
	<p>Redwood Community Action Agency:</p> <p>We strongly recommend that CSD modify its proposed program management allocation plan to more equitably cover the program costs including administrative costs. The federally funded LIHWAP program was modeled after the federal LIHEAP Block Grant program and should cover the costs in the same manner with the exception of the weatherization program services which were expressly removed from the program design. For</p>	<p>CSD is proposing to implement a hybrid payment model. Similar to LIHEAP, CSD will implement a direct payment model to manage the payment transaction with water suppliers. CSD’s goal is to enter into direct payment arrangements with as many water suppliers as possible to reduce the administrative burden on local service providers and streamline the payment transaction with the water suppliers. In the alternative, where water suppliers do not</p>

	<p>example, the LIHEAP program allows for a combined total of 15% for Outreach/Intake rather than the LIHWAP proposed 13% and the Administrative costs are shared at a rate of 50%/50% with the Network rather than the proposed 67% CSD/33% LSPs. We understand that CSD may have a larger role in this program but we too will have significantly increased responsibilities that we cannot predict at this time because the program has yet to be finalized. These responsibilities may include issuing direct payments to the water vendors which adds a new administrative burden on many agencies that have never provided this service before.</p>	<p>enter into a direct payment arrangement with CSD, LSPs will be responsible for managing the payment transaction with water suppliers in their service area.</p> <p>CSD continues to evaluate the payment model, and CSD is determining the Administration allocation to cover the costs for setting up the payment model for CSD or the LSP. Additionally, CSD is expanding services to include wastewater suppliers and will need to assess the most effective way to issue payments. CSD's final decision on Administrative allocation distribution will factor significantly on the placement of responsibility for administering payments to water and wastewater entities.</p> <p>CSD further clarifies that the current percentage for Outreach is 5 percent and Intake is 8 percent for a total of 13 percent rather than the 15 percent noted.</p> <p>As stated above, CSD is developing draft program guidelines taking into consideration input and comments received at the July 29, 2021 public meeting and during the State Plan comment period. CSD will host sessions with LSPs, stakeholders and the public in early Fall to receive additional input on the draft program guidelines, including feedback on allocation percentages. CSD will consider input received prior to finalizing the LIHWAP program guidelines.</p>
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	<p>Central Coast Energy Services: Q: In the current model, what is the rationale behind valuing the Subrecipients' services valued lower than the state's?</p> <p>Recommendation: Administration funding be equally split between the state and sub recipients.</p>	<p>See Redwood response above.</p>
<p>Allocation Methodology</p>	<p>California Municipal Utilities Association (CMUA): The draft states the funds will be allocated the same as the California Low Income Home Energy Assistance Program (LIHEAP), which is a program that distributes to each county based off the number of households in poverty and the relative cost of water. We are concerned that the focus on the number of households in poverty (i.e., number of households at or below 125% federal poverty level (FPL)), will not reflect the financial challenges of living and paying utility bills in many communities. For example, 125% of FPL is about \$38,000 for a family of four, which is an amount that is hard to imagine anyone in San Francisco living on, although many unfortunately do. But there also are many customers still struggling who are above that threshold and we want to make sure they are considered when this funding is allocated. We suggest a higher FPL threshold when determining who qualifies or somehow incorporating the cost of living to ensure customers in need throughout the state can have access to funds.</p>	<p>CSD allocates funds under LIHEAP using a three-factor formula based on 125 percent federal poverty level (FPL), energy costs and climate. CSD uses the 125% FPL rather than 60% SMI to ensure areas with higher population counts at or below 125% FPL a higher allocation of funds and LIHEAP placing targeting emphasis on households with lower incomes and higher energy burdens. For the LIHWAP program, CSD is considering 125 percent of FPL as one of the factors for the LIHWAP allocation methodology that will determine the distribution of funds that each LSP will receive to provide services in their respective service area. (The LSP service area is determined by county, except in Los Angeles and San Diego, which are determined by zip code.) The use of the 125 percent FPL population factor is also noted within federal LIHWAP allocation methodology used to determine state allocation shares of LIHWAP grants funds. And to clarify, <i>eligibility</i> for assistance is determined using a different metric: the household's income must be at or below 60 percent of the State Median Income. Please refer to CSD's website for income guidelines here.</p>

	<p>Joint Letter (Clean Water Action, Community Water Center – El Centro Comunitario Por El Agua, Leadership Counsel for Justice and Accountability, Los Angeles Alliance for a New Economy (LAANE) and National Resources Defense Council (NRDC)): At the July 20, 2021 LIHWAP meeting, the Department identified its process for allocating funds to counties. That allocation is not discussed in this plan, which fortunately provides the department with the time and opportunity to develop an allocation proposal that better identifies the relative need among California counties. While we agree that the population of potentially eligible residents should be the major indicator of relative need, we do not agree that the calculation of average water rates by county is at all useful. Even if rates were available for all or even most systems, the sheer number of systems in many counties and the wide divergence in rates would render this number useless for planning purposes. Instead, we recommend that the Department use relative levels of debt by county, a number that will be determined by the survey that the Board must conduct as part of the program approved</p>	<p>CSD will consider the recommendations received in the development of the proposed allocation methodology factors to achieve an equitable distribution of funds.</p> <p>CSD plans to develop draft program guidelines and hold input sessions in early Fall with LSPs, Stakeholders and the public. The draft program guidelines will include CSD's proposed LIHWAP Allocation Methodology. Feedback from these sessions will be considered in the finalization of program guidelines.</p>

	<p>by the Legislature. That, combined with an understanding of the level of debt that will be paid by the State Water Board and the eligible population, should give the Department sufficient information to create an accurate and equitable allocation formula</p>	
	<p>Redwood Community Action Agency: As to the allocation of the funds, we strongly recommend that CSD include water bill costs as a factor in their allocation formula rather than simply relying on the percent of low-income population factor. In some areas of the state low-income households pay high costs for metered drinking water and wastewater services while others pay a relatively low flat rate. A population only based allocation formula favors the larger urban areas of the state while smaller rural areas stand to receive a much smaller portion of the LIHWAP funds when utilizing that formula. This could result in smaller, rural water companies and their low-income customers shouldering a disproportionate share of water arrearages' problem.</p>	<p>See above.</p>

	<p>Central Coast Energy Services: Q: How will the total funding be allocated geographically in the state in an equitable method?</p>	<p>See above.</p>
<p>Benefit Amount</p>	<p>Community Action Partnership of Riverside: Since this is a program to prevent disconnections for low-income ratepayers who have suffered a financial hardship during the pandemic, I don't see the reasoning to cap the payments at \$1,000. LSPs should have the ability to request payments equal to the amount of arrearages incurred during the pandemic. The average unpaid balance may be \$300, but there are many with unpaid bills that far exceed \$1,000. Why not make those customers whole?</p>	<p>Based on input received from stakeholders during the draft LIHWAP State Plan process, CSD increased the benefit amount to \$2,000, which is reflected in the LIHWAP State Plan submitted to U.S. Department of Health and Human Services and posted on CSD's public website.</p>

California Water Association:

Today, during the LIHWAP State Plan Public Meeting, your team asked if the \$1,000 in arrearage assistance was sufficient to meet the needs of low income Californians. Following the meeting, I immediately reached out to our member companies and asked them for the number of low income customers with over \$1,000 in arrearages. Below is the information that I was able to secure in the short time period. As you will see, there are a number of low income customers with over \$1,000 in arrearages. Based on this data, **we respectfully request that CSD increase the arrearage assistance to \$1,500 per customer account. If CSD is unable to increase the overall amount, we request that CSD allow for a dispensation for customers with special circumstances that resulted in the higher arrearage amount.**

<u>Utility</u>	<u>Number of</u>
<u>Customers with over \$1,000 in arrearages</u>	
Cal Water	1,371
San Gabriel	1,066
Cal Am	358
Liberty	304
Golden State	237
Suburban	53
Great Oaks	16

We'd also like CSD to consider a webinar for the LSP coordinators to learn more about the low income assistance programs offer by our member utilities so that a low income customer could receive the benefits of a longer term water utility rate assistance program.

See response above concerning the benefit increase. CSD appreciates the offer from California Water Association to inform our LSP network of the various low-income programs offered by their water supplier members. CSD will coordinate a webinar with California Water Association in the near future.

	<p>California Municipal Utilities Association (CMUA): In Section 2.2., we appreciate CSD’s acknowledgement of wastewater as an essential utility and the inclusion of those charges as eligible for LIHWAP benefits. We particularly appreciate the inclusion of stand-alone water and wastewater bills as well as bundled bills. We recommend that if a customer has separate water and wastewater bills, they would be eligible to receive benefits for both bills as long as the total does not exceed \$1000. Allowing for the inclusion of wastewater arrearages and both bills to be paid will help customers to potentially resolve the entirety of their utility debt and emerge more successfully from the pandemic.</p>	<p>LIHWAP is modeled after LIHEAP, under which a customer can only receive one utility assistance or one wood, propane, or oil benefit per program year. Similarly, under LIHWAP a customer will only be eligible to receive a single benefit for either the water or wastewater bill. If the bill is bundled with both water and wastewater services, then a customer may receive a benefit that covers both services if payment is needed for both services to prevent disconnection or to restore services. LIHWAP has limited funding and will only serve a small percentage of households; therefore, this approach will allow for more households to be served under LIHWAP.</p>
Capacity	<p>City of Los Angeles, LA Sanitation and Environment: We have a concern that the existing three Local Service Providers in Southern California may not be adequately staffed to handle the subscribers to the new program. Is there existing capacity for these new subscribers? What is the plan for increasing capacity if needed?</p>	<p>Prior to the implementation of the LIHWAP program, CSD will survey LSP’s capacity and interest to administer the program. If an LSP does not have the capacity and/or interest to administer the program, CSD will secure an alternate provider in accordance with the California 22 Code of Regulation section 100820.</p>
	<p>Central Coast Energy Services: Q: Will non-LIHEAP Service Providers be offered contracts? Q: If non-LIHEAP Service Providers will be offered contracts, will they be required to be nonprofit organizations/CBOs?</p>	<p>See above.</p>
Combined Billing	<p>City of Los Angeles, LA Sanitation and Environment:</p>	<p>CSD will obtain input from wastewater stakeholders on mechanisms for payment.</p>

	<p>There may be implementation issues for Clean Water utilities that do not have combined Water/Clean Water bill payment systems. We seek assurance that the funding distribution mechanisms would be flexible to account for the different processes. These issues may be addressed at the proposed meeting.</p>	
<p>Communication</p>	<p>City of Los Angeles, LA Sanitation and Environment: Communications developed by the State should ensure that there is enough clarity for subscribers on what relief is available to them as this program will only pay bills accrued according to specific criteria. The roles and responsibility of the State and of the utilities to inform and recruit eligible households should be identified.</p> <p>The documentation made available on-line does not allow the reader to review the document in entirety.</p>	<p>Noted.</p> <p>As stated on CSD's website and in the public meeting notification, viewers must download the state plan to view it in its entirety.</p>
	<p>Los Angeles Water and Power (LADWP): Many sections seemed to have the last sentence cut off, so there is a possibility that additional questions/comments would arise if we receive the full text.</p>	<p>See above.</p>

Coordination	California Municipal Utilities Association (CMUA): We appreciate CSD's commitment in Section 4.1 to streamlining applications and allowing customers to access multiple services in one application and/or refer them to other programs that may assist them with their utility services. The ability to apply for many services at once beyond only utility assistance (e.g., SNAP, TANF, SSI, etc.) can reduce administrative burden for water and state agencies and reduce barriers for applicants to access services. This appreciation extends to the coordination with the State Water Board on the implementation of LIHWAP and the CWWAPP. This proposed coordination supports our comment that the administrative costs of the program should total less than 28 percent.	Noted.
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	<p>California Municipal Utilities Association (CMUA): In Section 2.13, CSD proposes to require data reporting on a permanent basis for water and wastewater systems, including the number of shutoffs. The State Water Board currently collects this and other information from water systems. CMUA recommends that CSD coordinate with the State Water Board on data collection to avoid duplication of effort.</p>	<p>The Office of Community Services, U.S. Department of Health and Human Services (HHS) requires that CSD obtain confirmation from the water and wastewater supplier that services for a customer served under LIHWAP were either restored or services were not disconnected. CSD will hold discussions with the State Water Board on opportunities to leverage data collected by the State Water Board to assist CSD's compliance with federal reporting requirements.</p>
	<p>Joint Letter (Clean Water Action, Community Water Center – El Centro Comunitario Por El Agua, Leadership Counsel for Justice and Accountability, Los Angeles Alliance for a New Economy [LAANE] and National Resources Defense Council [NRDC]): While Section 4.2 of the plan identifies coordination with the State Board, the timing for disbursements from this program don't appear to reflect that. The timeline for implementation should be coordinated to align with California Water and Wastewater Arrearage Payment Program under State Water Board in order to maximize the availability of program benefits for eligible customers. The priority should be to address any gaps that may exist after State Water Board funding has been appropriated. For example, customer debt may have been incurred after June 15, 2021, and coordinate the programs to maximize benefits. We believe the best way to accomplish this is to distribute most of the larger debt relief funding from the State Water Board first. This would allow the Department to benefit from information gathered by the State Water Board in its efforts and enable the Department's smaller pool of funding to be targeted</p>	<p>CSD will take the Joint Letter's recommendation under consideration in CSD's coordination discussions with the State Water Board.</p>

	<p>towards some or all of the remaining debt for eligible households. Given the nature of the individual application process and the potential flexibility of the California LIHWAP program to apply to debt accrued after June 15, we urge the two agencies to coordinate to implement the California Water and Wastewater Arrearage Payment Program first and the LIHWAP program second. Relief must be disbursed swiftly and intentionally, and we believe such a timeline is best suited to do so.</p>	
	<p>Central Coast Energy Services: Q: Will LIHWAP be coordinated with the state funded SWRCB Arrearages Program? If so, how will it be coordinated with the state funded SWRCB Arrearages Program? If not, what are the barriers for CSD to coordinate?</p>	<p>CSD is holding regular discussions with the State Water Resources Control Board (State Water Board) on coordination strategies. CSD will advise on coordination considerations prior to program implementation</p>
	<p>California Urban Water Agencies (CUWA): We appreciate CSD working with the State Water Board to coordinate programs and would encourage exploring whether there are opportunities to automatically enroll in LIHWAP based on other state or federal programs.</p>	<p>Noted.</p>
Customer Protections	<p>Joint Letter (Clean Water Action, Community Water Center – El Centro Comunitario Por El Agua, Leadership Counsel for Justice and Accountability, Los Angeles Alliance for a New Economy [LAANE] and National Resources Defense Council [NRDC]): As expressed during the public comment period of the stakeholder meeting, late fees that water systems have imposed will inflate arrearage amounts. Even a</p>	<p>CSD will take the recommendations under consideration as the program guidelines are being developed.</p> <p>As mentioned above, CSD is developing draft program guidelines taking into consideration input and comments received at the July 29, 2021 public meeting and through the State Plan comment period. CSD will host input</p>

	<p>modest late charge of 1 or 1.5 percent, if rolled over a 15-month period, would inflate outstanding arrearages substantially, resulting in fewer households receiving assistance from this fixed pool of funding. And, unfortunately, not all late charges are modest. Allowing LIHWAP funds to include late payment charges would reward water utilities with usurious late fees that are unrelated to system costs. Examples of high pre-COVID late fees include the 5% imposed by West Kern Water District and Las Virgenes Municipal Water District and the 10% (e.g., 120% per annum on monthly bills, without compounding) by Padre Dam Municipal Water District and Sacramento Suburban Water District, to name just a few. California has already previously intentionally denied reimbursement of late fees for COVID-19 relief programs to maximize precious and limited relief resources. Specifically, in the CA State Rental Assistance Program, which was established by SB 91 (2021), landlords are prohibited from charging or attempting to collect fees assessed for the late payment of COVID-19 rental debt. The federal Consolidated Appropriations Act, 2021 (Public Law 116-260) allocated over \$2 billion dollars to California, which was used to establish the State Rental Assistance Program with the respective late fee restrictions. Our understanding is that California is not limited in its capacity to similarly conditionally apply LIHWAP funds to only the principal debt owed and not late fees. We urge that the program be structured to require water agencies receiving LIHWAP funds to reverse any late fees that may have been applied to customer debt paid by the program. Section 2.13 allows the Department to identify additional conditions for the restoration of funding, including “Consumer protections regarding</p>	<p>sessions with LSPs, Stakeholders and the public in early Fall to receive feedback on the draft program guidelines. CSD will consider input received prior to finalizing the LIHWAP program guidelines.</p>
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	<p>shutoffs (e.g., minimum notice period, protection of vulnerable populations, minimum amount overdue before disconnection allowed, opportunity for a payment plan before disconnection, other procedural or substantive restrictions on shutoffs).” We recommend that the Department condition assistance upon granting water shutoff protections for up to 90 days and offering extended payment plans for any remaining unpaid balance.</p>	
<p>Direct Pay</p>	<p>Community Action Partnership of Riverside: CSD should make it a requirement for the fresh water and wastewater vendors to enroll in the 3rd party payment registration program. It is not fair to place that contractual and fiscal burden on the LSPs. LSPs do not have the financial resources or the infrastructure to manage such a massive and complex billing system for potentially thousands of applicants to numerous utilities. There is no way the administrative dollars in LIHWAP would begin to adequately cover the actual costs for processing those payments. If registering with the State’s 3rd party payment vendor is difficult, the water vendors will simply “select” to contract with the LSPs if it is easier.</p> <p>If CSD doesn’t want to make it a requirement for the vendors to register with the State’s 3rd party system, then the LSPs should be given the discretion to refuse to provide service to the vendor.</p>	<p>CSD is proposing a hybrid approach to manage assistance payments directly to water suppliers. CSD’s goal is to enter into direct payment agreements with as many water suppliers as possible. Under the direct payment model, CSD, via a third-party disbursement vendor will be responsible for issuing payment to the water supplier directly on behalf of the customer.</p> <p>For water suppliers that do not enter into a direct payment agreement with CSD, the LSP will be responsible for entering into a payment agreement with the water supplier and issuing the assistance payment directly on behalf of the customer. LSPs should make good faith attempts to enter into payment agreements with water suppliers. Water suppliers that do not enter into an agreement with CSD or LSPs will not be eligible to receive payment on behalf of the customer.</p>

	<p>California Urban Water Agencies (CUWA): For smooth processing, water agencies will need to receive the customer name, account number, and dollar amount to be credited. It may be challenging to detail the LIHWAP credit on the bill itself (e.g., due to space constraints); for many agencies, it would be easier to send out a separate letter notifying customers of the benefit.</p> <p>1. Based on today's Q&A session, it sounds like CSD will work with the water providers to determine a process for resolving discrepancies (e.g., for return payments or partial credits) and confirm the format/expectations for reporting. Clarifying these expectations up front will facilitate water agencies in setting up a plan for tracking and reporting.</p>	<p>CSD is developing a vendor agreement that will clarify the data exchange requirements with water suppliers. CSD will take this recommendation under consideration as the vendor agreements are being developed. CSD will detail the vendor agreements in the draft program guidelines.</p>
	<p>Central Coast Energy Services: Q: Will CSD attempt to make agreements with all 2900 water providers? If not, how will it be determined which ones might be targeted by directly the state?</p> <p>Q. What is the number of Wastewater Service vendors in the state and will CSD attempt to make agreements with all of them? If not, how will it be determined which ones might be targeted directly by the state?</p>	<p>As stated above, CSD's goal is to enter into direct payment agreements with as many water suppliers as possible. CSD is meeting with wastewater associations to gather information on wastewater utilities in the state. CSD will provide information to LSPs on which water suppliers (including water suppliers and wastewater utilities) are under direct payment arrangement prior to the start of the program.</p>
	<p>Los Angeles Water and Power (LADWP): Section 12.8 - what are the data exchange details? How often is "regularly?" Will there be an established sftp or other secured site for the data exchange? What will be the customer identifier (Account number, name and address, etc.), and how will we ensure that we follow all LADWP(utility) cyber security protocols regarding the sharing of PII? How will the data</p>	<p>CSD will use a similar direct payment model implemented under LIHEAP for LIHWAP. CSD is finalizing the details on the direct payment model that will be shared with water suppliers in the near future.</p>

	<p>transfer agreement be stipulated (considering different utilities may have different legal requests)? While section 2.13 states what should be included in the data, will there be a template to ensure uniformity?</p>	
<p>Immigration Status</p>	<p>Joint Letter (Clean Water Action, Community Water Center – El Centro Comunitario Por El Agua, Leadership Counsel for Justice and Accountability, Los Angeles Alliance for a New Economy [LAANE] and National Resources Defense Council [NRDC]): We urge the Department and Administration to remove the Citizenship/Legal Residency Verification requirement in the draft State Plan (See Draft Plan 12.4) because there is nothing in the relevant statutory law that requires it, the requirement is inconsistent with state law and policy, and removing the requirement will help expedite administration of the program. It is our understanding that there is nothing in Section 2912 of the American Rescue Plan Act (“ARPA”), or in the prior Consolidated Appropriations Act of 2021, that requires the Department of Community Services & Development (“CSD”) or the Department of Health and Human Services (“HHS”) to include verification of immigration status as a component of LIHWAP. (See, e.g., ARPA, Section 2912; Consolidated Appropriations Act, 2021, Division H, Section 533.) Further, while the Consolidated Appropriations Act directed HHS to “as appropriate and to the extent practicable, use existing processes, procedures, policies, and systems in place to provide assistance to low-income households, including by using existing programs and program announcements, application and approval processes,” (Division H, Section 533) it does not</p>	<p>In consultation with HHS, CSD confirmed that the LIHWAP program is subject to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA). Per federal guidance, LIHWAP falls within the definition of “Federal Public Benefits,” outlined in the PRWORA, which limits eligibility for benefits to citizens or to qualified noncitizens (e.g., lawful permanent residents, asylees, refugees, and certain individuals with parole status) who may not receive benefits for a period of five years beginning on the date of entry with a qualified status. PRWORA prohibits the provision of these benefits to other noncitizens, including nonimmigrants (i.e., temporary residents) or undocumented immigrants. More information on these requirements is available on the following website: https://aspe.hhs.gov/basic-report/summary-immigrant-eligibility-restrictions-under-current-law</p>

	<p>specifically direct HHS or the grantees under LIHWAP to adopt all requirements of the LIHEAP program and on this issue it would be inappropriate to do so. With respect to consistency with state law and policy, California has recognized that “every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.” (Water Code, section 106.3.) There is no caveat to the Human Right to Water statute that limits its applicability based on immigration status. As a program designed to improve access to affordable drinking water, CSD must make every effort to ensure that LIHWAP is available to assist “every human being” in the state of California with a verifiable need for assistance, regardless of immigration status. We also note that California has a robust history of expanding social safety net programs eligibility to include undocumented residents, including Medi-Cal, and that too weighs in favor of removing verification of immigration status as a LIHWAP requirement. We acknowledge that the Model LIHWAP Plan for States currently includes a requirement to verify immigration status. However, as noted above, this is not based on any statutory requirement, and it is our understanding that HHS has the discretion to approve a state plan that does not require verification of immigration status. We note that eliminating the requirement would also ease the administrative burden and aid CSD in efficiently implementing the program. As directed by HHS in the relevant June 23, 2021, Action Transmittal, CSD shall “look for ways to expedite the distribution of resources.” For each of these reasons, CSD must remove the requirement to verify immigration status.</p>	
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Income Qualifications	<p>Community Action Partnership of Riverside: Please consider extending the look-back period for income verification to 3 months, instead of just 1 month. Many of our customers are just now re-engaging in the workforce now that the State economy is improving. I think it is fair to extend the eligibility to an applicant to any 4 week period during the last three months.</p>	<p>In accordance with federal requirements, LIHWAP benefits can only be issued to households who are income-qualified at the time of service.</p>
	<p>California Municipal Utilities Association (CMUA): We acknowledge and appreciate the need to ensure applicants meet income eligibility requirements as outlined in Section 12.1. Supporting computer data matches as well as accepting paper documentation will decrease administrative requirements for LSPs and applicants and promote greater participation in the program.</p>	<p>Noted.</p>
	<p>Central Coast Energy Services: Q: Are the countable income categories listed in Section 1.7 limited to just those?</p>	<p>In accordance with federal requirements, CSD will establish criteria and procedures for determining income eligibility comparable to established procedures and requirements for LIHEAP. CSD will use the same countable income categories as LIHEAP.</p>

	<p>California Urban Water Agencies (CUWA): Water agency experience shows that requiring documentation to verify income level, immigration status, etc. significantly reduces program participation. If there is flexibility to waive these documentation requirements and enable self-reporting (either for this current program or a future longer-term program), we would expect the program to benefit more eligible customers.</p>	<p>In accordance with federal requirements, CSD is required to establish criteria and procedures for determining income eligibility comparable to established procedures and requirements for LIHEAP. Under LIHEAP, proof of income is required. Self-certification is only acceptable if the household has zero income or there is an extenuating circumstance that prevents the household from providing documentation to confirm income eligibility.</p> <p>Under LIHWAP, CSD will adopt the LIHEAP income eligibility criteria, unless a member of the household is receiving benefits from a federally defined public assistance program where participants are deemed categorically eligible for LIHEAP assistance. In this case, the applicant does not need to submit additional documentation for income verification (although they do need to self-report household income for federal reporting purposes).</p>
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<p>Prioritization</p>	<p>California Municipal Utilities Association (CMUA): CMUA supports the findings and proposed process for targeting customers in Section 2.8. but believes it may be helpful to include more specificity in determining what it means for a customer to be in “jeopardy of being disconnected.” There are statutory requirements as part of the California Water and Wastewater Arrearage Payment Program (CWWAPP) that prevent disconnection well into the fall, so there may be confusion and difficulty determining eligibility at the time that customers may be eligible for LIHWAP benefits. This also is a concern for wastewater bills since wastewater cannot be disconnected. Instead of using language about customers in “jeopardy of being disconnected,” an alternative could be to use the age of arrearages (e.g., 60 or 90 days past due) and prioritizing those with arrearages that have been outstanding for a longer time. Most water systems have policies related to disconnection that align with certain timeframes and it may be a more appropriate indicator of when a customer may be facing disconnection.</p>	<p>CSD will consider CMUA’s recommendation in the development of the draft program guidelines. As stated above, CSD will host input sessions with LSPs, Stakeholders and the public in early Fall to receive feedback on the draft program guidelines. CSD will consider input received at future input sessions in the finalization of program guidelines.</p>
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	<p>Joint Letter (Clean Water Action, Community Water Center – El Centro Comunitario Por El Agua, Leadership Counsel for Justice and Accountability, Los Angeles Alliance for a New Economy [LAANE] and National Resources Defense Council [NRDC]):</p> <p>Arrearages due to sanitation agencies that collect sewer charges through the county tax rolls should only be paid after all households at risk of water service disconnection have received assistance. Sanitation districts that collect customer charges through the tax rolls cannot terminate water service, so an unpaid bill does not carry the risk of water shutoff. Maintaining access to drinking water services should be a clear priority for LIHWAP. Thus, sanitation agencies' customer arrearages that are not bundled on a water bill should only be paid with funds remaining after all households whose water bill arrearages place them at risk of service termination have been serviced. Otherwise, many fewer households at actual risk of water shutoffs will receive this essential assistance.</p>	<p>CSD will consider the joint letter's recommendation during development of draft program guidelines. CSD will obtain input from wastewater suppliers on associated risk to customers for failing to pay past due water bills..</p>
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	<p>Central Coast Energy Services:</p> <p>Q. The response to Section 1.2 Operational Priorities and Emergency Flexibilities, “California has determined the need for financial water assistance to be extraordinarily high and anticipates demand will far exceed the availability of services and funding offered under the Low Income Household Water Assistance Program (LIHWAP). Acknowledging this great need and limited LIHWAP funding, California intends to administer LIHWAP as a water and wastewater utility arrearage response program where the level of benefit will be based on the customer's past due balance in order to restore services or avoid service disconnections.” Does not make any sense. The rationale seems to be that because there is so great a need and so little of this funding is available, there is no need to prioritize service. This is the reason that prioritization is needed, just as required by the LIHEAP program. Why is there no state requirement for a prioritization for the assistance?</p> <p>Recommendation: There is a prioritization of people in our communities with the greatest need for water rate assistance. Examples of this prioritization could include inclusion in a vulnerable population category, income levels, or medical needs which expose them to a greater degree of danger than the rest of the low income population.</p>	<p>The Office of Community Services (OCS), federal guidance prioritizes services to households with disconnected water/wastewater services and households with pending disconnections. Based on the mounting water debt in California, CSD has chosen to operate the LIHWAP program as an arrearage relief program to eligible households (on a first-come, first-served basis) with disconnected water/wastewater services or at-risk of disconnection to presence of a past due balance.</p> <p>CSD will consider Central Coast Energy Services’ recommendation to further prioritize households who are disconnected or at the greatest risk of disconnection in the development of the draft program guidelines.</p>
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Restoring Services	<p>California Municipal Utilities Association (CMUA): We support the requirement for water suppliers to restore disconnected service when a LIHWAP payment is made. However, we would like some clarification on the term “maintaining continuity of service.” Is this intended to mean the agreement would ensure water suppliers do not disconnect service if a payment was made to resolve the debt? That is acceptable but we want to ensure that language does not govern future service as the state already has requirements regulating the discontinuation of service for customers behind on their water bills.</p>	<p>In accordance with federal requirements, the water supplier is required to provide written confirmation that services were restored, or disconnection prevented as a result of receiving the LIHWAP benefit.</p>
	<p>Central Coast Energy Services: Q: What criteria will be used to determine whether customers with drinking water and wastewater arrearages that are in jeopardy of being disconnected?</p> <p>Q: The current practice is to accept a time limited document from each applicant to document past due balances for LIHEAP program eligibility. At the Public Meeting it was stated that each water supplier will be contacted to confirm/document every instance of a past due applicant balance. Will each water supplier actually need to be contacted to confirm/document every instance of a past due applicant balance?</p>	<p>CSD will clarify the criteria in the draft program guidelines.</p> <p>CSD will follow current practice under LIHEAP in confirming past due balances. The LSPs will verify the amount past-due based on the applicant’s current bill. If the applicant is unable to provide the current bill, the LSPs may contact the water supplier to confirm the status of the applicant’s account, amount owed, and obtain a copy of the applicant’s current bill from the water supplier as documentation.</p>
Wastewater General	<p>City of Los Angeles, LA Sanitation and Environment: The Plan discusses a need for understanding wastewater utilities and their programs and for</p>	<p>CSD will engage with wastewater stakeholders to better understand wastewater utility programs and processes for billing.</p>

	educating utilities on the LIHWAP. We ask that these discussions happen in August 2021 and early in the process of implementation.	
General Support	California Special District's Association (CSDA) City of Los Angeles, LA Sanitation and Environment California Association of Sanitation Agencies (CASA) Strongly supports inclusion of Wastewater services.	Noted.
	CASA recommends CSD hold input sessions to discuss how to serve households where the wastewater agencies have different revenue streams can participate, how the local service providers (LSPs) are organized and staffed, and the various roles between LSPs and our member agencies in identifying eligible customers and recommends CSD hold input sessions with wastewater stakeholders to discuss ways to assist households	CSD will engage with wastewater stakeholders to better understand wastewater systems and billing and identify strategies that LSPs and wastewater providers can utilize to better assist low-income households in need of LIHWAP assistance.
Outreach	California Urban Water Agencies (CUWA): CUWA agencies are already thinking about creative ways to advertise the program, including social media blasts, putting flyers in school lunches, and reaching out to local family resource centers. Although the grant outreach funds are earmarked for local service providers (LSPs), it may be beneficial to pilot an outreach program led by water providers and monitor impact on program participation rates. If effective, dedicating funds to support increased water agency outreach may be beneficial for a longer-term program.	Noted. CSD plans to engage water suppliers on ways to support outreach for the LIHWAP program.

Stakeholder Engagement	<p>Central Coast Energy Services: Q: Will you be including other stakeholders in your LSP LIHWAP Workgroup meetings?</p> <p>Recommendation: Public Members and other stakeholders be added to CSD's LIHEAP Service Providers' LIHWAP Workgroup meetings for better design and better communication.</p> <p>The recommendations of the final LIHWAP report of the California Community Action Partnership Association (CalCAPA) be followed</p>	<p>CSD is developing draft program guidelines taking into consideration input and comments received at the July 29, 2021 public meeting. CSD will host input sessions with LSPs, Stakeholders and the public in early Fall to receive feedback on the draft program guidelines. CSD will consider input received at future input sessions in the finalization of program guidelines.</p>
	<p>Redwood Community Action Agency: We welcome the challenge that the new program presents and strongly urge CSD to work closely with its Network of LSPs to create a program that is responsive to community needs, equitably allocated amongst the state's counties and which fully supports the cost of service delivery. We recognize that CSD has sought input from the various stakeholder groups and urge CSD to continue to work with the LSPs to create a LIHWAP program that meets community needs and works efficiently with the water companies. We urge the Department to call upon the experience of the LSPs and, in particular, the WPO providers to help further design and implement the program.</p>	<p>See above.</p>

<p>Other</p>	<p>Central Coast Energy Services:</p> <p>Q: Is the one bill payment rule applicable to both sources of federal funding (Consolidated Appropriations Act of 2021 and American Rescue Plan) or each? Is there one program/sub grantee contract or two?</p> <p>Q: Are all of California's water utilities operating under Executive Order N-42-20, which prohibits disconnections for non-payment of water service as stated in Section 2.12?</p> <p>Q: Those familiar with CSD's capacity are doubtful of the Plan claim that that payments will be initiated by Fall of 2021. Is there a more reasonable estimate or a clear project timeline with milestones identified available?</p> <p>Recommendation: The definition of an eligible vendor be included in the Plan document.</p> <p>Recommendation: The recommendations of the final LIHWAP report of the California Community Action Partnership Association (CalCAPA) be followed.</p>	<p>Yes. The one bill payment rule is specific to a sub grantee contract. The one bill payment rule is applicable to both sources of funding because both sources of LIHWAP funds are to be combined into a single sub grantee contract for administration by LSPs.</p> <p>No. Only the investor-owned utilities are subject to the Executive Order.</p> <p>CSD is actively working finalize program guidelines and anticipates program implementation to occur in late Fall. More details on program implementation will be included in the draft program guidelines.</p> <p>CSD agrees with the recommendation and updated the state plan to include the definition.</p> <p>Noted.</p>
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	<p>LADWP: Section 3.1 - regarding outreach, do the utilities provide the list of customers to the LSPs? Who is responsible for conducting the outreach?</p> <p>Section 4.1 - there may be information missing, as the last sentence seems to be cut off; do applicants have to be in LIHEAP already? It doesn't seem that they would, considering the other qualifiers, but this section makes that unclear.</p> <ul style="list-style-type: none"> ○ Do applicants need to be legal residents? This was not clear. <p>It appears that this is a one-time benefit up to \$1,000 maximum. If they already got a LIHEAP pledge this year, does that impact their ability to request LIHWAP?</p>	<p>LSPs will conduct outreach at the local level using similar outreach methods provided under LIHEAP. CSD will consult with water suppliers on various strategies to support outreach to include sharing client data to support targeted outreach to customers.</p> <p>No, applicants do not need to be qualified for LIHEAP to receive LIHWAP benefits. See response above concerning citizenship/legal residency requirements.</p> <p>No. A customer is eligible to receive both a LIHWAP and a LIHEAP benefit, separately.</p>
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	<p>Garry Swaffar, Individual</p> <p>As a resident of a rural community which is again suffering through extended drought conditions I have little hope of making it completely through this summer without finding my well going dry again. I would like to suggest that CSD and local agencies consider the addition of water well depth extension as part of the program. My reasoning is below.</p> <p>It was helpful in the last water related contract to have water deliveries made which did allow for continued habitation of so many homes in the rural areas. I was one of those homes which benefitted by the water deliveries and greatly appreciated the effort and the assistance by the local Community Action Agency, ATCAA in providing that benefit. At that time, I was still working for ATCAA as the Wx Program Supervisor, from which I have now retired. In the previous rounds of the water contract, I had asked if there were any plans to include well deepening for those whose well is able to produce water, but simply doesn't have enough reserve capacity to get a home through a full day of use without running dry. Some wells, such as mine near Sonora were originally drilled to what seemed at the time to be more than sufficient depth, at 120 feet. Since 1962 though, the water table has increasingly lowered and while the well is completely sufficient for all household purposes when the water table is up where it belongs. However, it does lower during drought periods to a level which is barely functional, at best. Naturally, if the water program is again offering just deliveries for water and I still qualify, I would avail myself of that benefit, and be very appreciative again. However, there is what seems a better route. During the last drought program, I did a cost analysis of the</p>	<p>The LIHWAP program prohibits the use of funds for modifications to wells. CSD will explore options to support water delivery service to households with dry wells.</p>
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	<p>cost of the deliveries versus the limited costs of drilling the well deeper to capture any possible second stream of water and to also increase the water column reserve in the well. At the cost of nearly \$300 per delivery twice each month, the cost of drilling the well another 100 - 200 feet deeper would have been captured in less than six months. Thank you for the opportunity to offer this response</p>	
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	<p>City of Roseville: My question is on the \$1,000 cap. Is the cap for all services on the bill or will they qualify for funds from LIHEAP and LIHWAPP? You stated it was a cap of \$1,000 for 1 bill so I am taking that to mean since all services are on 1 bill the \$1,000 is for all services provided.</p> <p>Another question is re: establishing a direct payment option with CSD. I do know we have a relationship with our LSP currently through the LIHEAP program. Will it still be better to establish the direct payment through you (CSD)?”</p>	<p>Customers will still be able to qualify for a LIHEAP and a LIHWAP benefit separately or at the same time based on the LSP determination that the customer is eligible for both services. For example, if the electric charges are \$1,000 and they are past due, then a \$1,000 LIHEAP benefit can be applied, and if the Water/Wastewater charges are a \$1000 and they are past due, then a \$1,000 LIHWAP benefit can be applied for a total combined benefit of \$2,000. The LIHEAP benefit will be paid via the existing direct pay agreement we have with Roseville, and CSD will implement the same process for LIHWAP, assuming your agency elects to participate in a direct pay arrangement for LIHWAP.</p>
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The following are comments or questions that CSD was unable to answer or address live at the LIHWAP Public Meeting:

Verbal Comments received at the July 29, 2021 LIHWAP Public Meeting	Will there be communication between the LSP/LIHWAP and the utility if there is an application under review so that the utility does not disconnect them from service?	CSD is not requiring a "pledge" process for the utilities under LIHWAP. Once the customer is determined to be eligible and an amount is provided to the water supplier, the water supplier through the payment agreement will honor that amount and not disconnect the customer.
	Would DACA recipients or individuals with similar work permits be considered legal residents for LIHWAP eligibility?	No, the individual must be a permanent resident or citizen. See above.
	Can we assist clients who get their water bill through a third-party billing company?	Yes, CSD would see this as an extension of the water supplier, provided there is an agreement in place.
	We request an extension of the due date for comments on the State Plan through Monday, August 2, 2021 by noon to allow sufficient time to digest today's information and the State Plan. Redwood CAA	CSD is not able to grant this request, due to the quick turnaround from the Draft State Plan release to the final submission deadline for the State Plan of August 9 th .
	Can CSD's agreement with utilities be structured to require that late fees be removed from any arrearage balance paid by the program?	See response above regarding customer protections.

	<p>What if the water bill is under the name of a different household member than the one on the UA bill?</p>	<p>The LSP will follow the same requirements as LIHEAP, which means that anyone in the household can apply for services, even if their name is not on the bill.</p>
	<p>If benefits cannot exceed \$1,000, will LSPs be able to issue the \$1,000 benefit even if the client will have a remaining balance?</p>	<p>The LSP will follow the same requirements as LIHEAP, which would allow LSPs to issue payment, even if it doesn't cover the entire arrearage. As stated above, CSD is increasing the benefit amount to \$2,000 based on stakeholder feedback received during the LIHWAP State Plan development process.</p>
	<p>Section 1.5 of the state plan says "However, CSD will institute eligibility policies to allow the submission of documents reflecting an applicant's active participation in any of the programs listed above (Means-tested Veterans Programs, SSI, SNAP and TANF) in lieu of income documentation." Doesn't that mean we can use categorical eligibility?</p>	<p>Under LIHWAP, CSD is adopting the LIHEAP income eligibility criteria, unless a member of the household is receiving benefits from a federally defined public assistance program where participants are deemed categorically eligible for LIHWAP.. In this case, the applicant does not need to submit additional documentation for income verification (although they do need to self-report household income for federal reporting purposes).</p>

	<p>If the water supplier notices a discrepancy between the approved credit amount and the water bill delinquency, how is this to be resolved?</p>	<p>The LSP will need to ensure that they are verifying the amount of funding needed to prevent a disconnection, or to restore services during the intake process. Once this is established, the LSP will submit payment to CSD for direct payment or issue payment directly to the water supplier. This is a point-in-time process, and because of that, there could be a slight discrepancy in what is owed versus what is paid. This could also be because the customer owes more than the maximum benefit allowed under the program.</p>
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July 29, 2021

Department of Community Services and Development
Attention: Becca Russell, Energy and Environmental Services Division
2389 Gateway Oaks Drive, Suite #100
Sacramento, CA 95833

Re: Draft Low Income Household Water Assistance Program State Plan

Dear Ms. Russell:

The California Municipal Utilities Association (CMUA) appreciates the opportunity to comment on the Department of Community Services and Development's (CSD) Draft Low Income Household Water Assistance Program (LIHWAP) State Plan (Draft State Plan). CMUA represents over 50 public water agencies that serve water to 75 percent of California and is committed to working in collaboration with CSD to ensure successful implementation of LIHWAP. Generally, we think the Draft State Plan provides a productive framework for utilizing the limited funding in an efficient and equitable manner.

We also offer the following specific comments on the Draft State Plan:

Fund Allocation Methodology

The draft states the funds will be allocated the same as the California Low Income Home Energy Assistance Program (LIHEAP), which is a program that distributes to each county based off the number of households in poverty and the relative cost of water. We are concerned that the focus on the number of households in poverty (i.e., number of households at or below 125% federal poverty level (FPL)), will not reflect the financial challenges of living and paying utility bills in many communities. For example, 125% of FPL is about \$38,000 for a family of four, which is an amount that is hard to imagine anyone in San Francisco living on, although many unfortunately do. But there also are many customers still struggling who are above that threshold and we want to make sure they are considered when this funding is allocated. We suggest a higher FPL threshold when determining who qualifies or somehow incorporating the cost of living to ensure customers in need throughout the state can have access to funds.

Administrative costs

We support CSD's plans to use existing processes, procedures, and policies currently established by LIHEAP with the exception noted above. However, given that fact, we expect the administrative costs also would be streamlined and be less than the proposed 28 percent. For example, many statutes and state agencies use only five percent for their administration costs, even absent alignment with other existing programs. In addition, if the same Local Service Providers (LSPs) are performing the eligibility determination, we believe 13 percent is excessive.

Inclusion of wastewater charges as eligible for benefits

In Section 2.2., we appreciate CSD's acknowledgement of wastewater as an essential utility and the inclusion of those charges as eligible for LIHWAP benefits. We particularly appreciate the inclusion of stand-alone water and wastewater bills as well as bundled bills. We recommend that if a customer has separate water and wastewater bills, they would be eligible to receive benefits for both bills as long as the total does not exceed \$1000. Allowing for the inclusion of wastewater arrearages and both bills to be paid will help customers to potentially resolve the entirety of their utility debt and emerge more successfully from the pandemic.

Targeting assistance to certain customers

CMUA supports the findings and proposed process for targeting customers in Section 2.8. but believes it may be helpful to include more specificity in determining what it means for a customer to be in "jeopardy of being disconnected." There are statutory requirements as part of the California Water and Wastewater Arrearage Payment Program (CWWAPP) that prevent disconnection well into the fall, so there may be confusion and difficulty determining eligibility at the time that customers may be eligible for LIHWAP benefits. This also is a concern for wastewater bills since wastewater cannot be disconnected. Instead of using language about customers in "jeopardy of being disconnected," an alternative could be to use the age of arrearages (e.g., 60 or 90 days past due) and prioritizing those with arrearages that have been outstanding for a longer time. Most water systems have policies related to disconnection that align with certain timeframes and it may be a more appropriate indicator of when a customer may be facing disconnection.

Data reporting requirements

In Section 2.13, CSD proposes to require data reporting on a permanent basis for water and wastewater systems, including the number of shutoffs. The State Water Board currently collects this and other information from water systems. CMUA recommends that CSD coordinate with the State Water Board on data collection to avoid duplication of effort.

Coordination with other assistance programs and the State Water Board

We appreciate CSD's commitment in Section 4.1 to streamlining applications and allowing customers to access multiple services in one application and/or refer them to other programs that may assist them with their utility services. The ability to apply for many services at once beyond only utility assistance (e.g., SNAP, TANF, SSI, etc.) can reduce administrative burden for water and state agencies and reduce barriers for applicants to access services. This appreciation extends to the coordination with the State Water Board on the implementation of LIHWAP and the CWWAPP. This proposed coordination supports our comment that the administrative costs of the program should total less than 28 percent.

Restoring disconnected service

We support the requirement for water suppliers to restore disconnected service when a LIHWAP payment is made. However, we would like some clarification on the term "maintaining continuity of service." Is this intended to mean the agreement would ensure water suppliers do

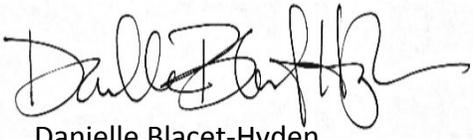
not disconnect service if a payment was made to resolve the debt? That is acceptable but we want to ensure that language does not govern future service as the state already has requirements regulating the discontinuation of service for customers behind on their water bills.

Income verification

We acknowledge and appreciate the need to ensure applicants meet income eligibility requirements as outlined in Section 12.1. Supporting computer data matches as well as accepting paper documentation will decrease administrative requirements for LSPs and applicants and promote greater participation in the program.

Thank you for the opportunity to comment on the Draft State Plan. If you have questions regarding our comments, please contact me at 916-847-8444 or dblacet@cmua.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Danielle Blacet-Hyden", written over a light grey rectangular background.

Danielle Blacet-Hyden
Deputy Executive Director



July 29, 2021

Sent Via Email [LIHWAP@csd.ca.gov]

Becca Russell
Energy and Environmental Services Division
Department of Community Services & Development
2389 Gateway Oaks Drive #100,
Sacramento, CA 95833

Re: Draft 2021 Low Income Household Water Assistance Program State Plan

Dear Ms. Russell:

Thank you for the opportunity to comment on the Draft 2021 Low Income Household Water Assistance Program (“LIHWAP”) State Plan (the “draft State Plan”). We provide the following comments and recommendations.

1. Remove The Requirement To Verify Immigration Status

We urge the Department and Administration to remove the Citizenship/Legal Residency Verification requirement in the draft State Plan (*See* Draft Plan 12.4) because there is nothing in the relevant statutory law that requires it, the requirement is inconsistent with state law and policy, and removing the requirement will help expedite administration of the program.

It is our understanding that there is nothing in Section 2912 of the American Rescue Plan Act (“ARPA”), or in the prior Consolidated Appropriations Act of 2021, that requires the Department

of Community Services & Development (“CSD”) or the Department of Health and Human Services (“HHS”) to include verification of immigration status as a component of LIHWAP. (See, e.g., ARPA, Section 2912; Consolidated Appropriations Act, 2021, Division H, Section 533.) Further, while the Consolidated Appropriations Act directed HHS to “as appropriate and to the extent practicable, use existing processes, procedures, policies, and systems in place to provide assistance to low-income households, including by using existing programs and program announcements, application and approval processes,” (Division H, Section 533) it does not specifically direct HHS or the grantees under LIHWAP to adopt all requirements of the LIHEAP program and on this issue it would be inappropriate to do so.

With respect to consistency with state law and policy, California has recognized that “every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.” (Water Code, section 106.3.) There is no caveat to the Human Right to Water statute that limits its applicability based on immigration status. As a program designed to improve access to affordable drinking water, CSD must make every effort to ensure that LIHWAP is available to assist “every human being” in the state of California with a verifiable need for assistance, regardless of immigration status. We also note that California has a robust history of expanding social safety net programs eligibility to include undocumented residents, including Medi-Cal, and that too weighs in favor of removing verification of immigration status as a LIHWAP requirement.

We acknowledge that the Model LIHWAP Plan for States currently includes a requirement to verify immigration status. However, as noted above, this is not based on any statutory requirement, and it is our understanding that HHS has the discretion to approve a state plan that does not require verification of immigration status. We note that eliminating the requirement would also ease the administrative burden and aid CSD in efficiently implementing the program. As directed by HHS in the relevant June 23, 2021, Action Transmittal, CSD shall “look for ways to expedite the distribution of resources.”

For each of these reasons, CSD must remove the requirement to verify immigration status.

2. Maximize Disbursements To Affected Households By Limiting Administrative Costs.

We are concerned by the significant costs identified in Section 1.4 of the draft plan, which proposes diverting 28% of the federal award away from households in need in order to pay for administration, outreach, and eligibility determination. We believe this is excessive and urge the Department to limit their total overhead and outreach costs to no more than 20% of the award. We believe this can be accomplished through closer coordination with the State Water Board’s similar efforts. We recommend that the Department delay implementation in order to take advantage of the data that will be assembled by the State Water Resources Control Board (“State Water Board”) to inform its program. The Department can take advantage of updated contact information, greater specificity about the allocation of debt around the state and can potentially

communicate with the state's public water systems directly as part of the State Water Board's process.

3. Require Waiver Of Late Fees

As expressed during the public comment period of the stakeholder meeting, late fees that water systems have imposed will inflate arrearage amounts. Even a modest late charge of 1 or 1.5 percent, if rolled over a 15-month period, would inflate outstanding arrearages substantially, resulting in fewer households receiving assistance from this fixed pool of funding. And, unfortunately, not all late charges are modest. Allowing LIHWAP funds to include late payment charges would reward water utilities with usurious late fees that are unrelated to system costs. Examples of high pre-COVID late fees include the 5% imposed by West Kern Water District and Las Virgenes Municipal Water District and the 10% (e.g., 120% per annum on monthly bills, without compounding) by Padre Dam Municipal Water District and Sacramento Suburban Water District, to name just a few.

California has already previously intentionally denied reimbursement of late fees for COVID-19 relief programs to maximize precious and limited relief resources. Specifically, in the CA State Rental Assistance Program, which was established by SB 91 (2021), landlords are prohibited from charging or attempting to collect fees assessed for the late payment of COVID-19 rental debt. The federal Consolidated Appropriations Act, 2021 (Public Law 116-260) allocated over \$2 billion dollars to California, which was used to establish the State Rental Assistance Program with the respective late fee restrictions. Our understanding is that California is not limited in its capacity to similarly conditionally apply LIHWAP funds to only the principal debt owed and not late fees.

We urge that the program be structured to require water agencies receiving LIHWAP funds to reverse any late fees that may have been applied to customer debt paid by the program. Section 2.13 allows the Department to identify additional conditions for the restoration of funding, including "Consumer protections regarding shutoffs (e.g., minimum notice period, protection of vulnerable populations, minimum amount overdue before disconnection allowed, opportunity for a payment plan before disconnection, other procedural or substantive restrictions on shutoffs)." We recommend that the Department condition assistance upon granting water shutoff protections for up to 90 days and offering extended payment plans for any remaining unpaid balance.

4. Coordinate Funding Process And Timing With Disbursement Of Water Board Debt Relief

While Section 4.2 of the plan identifies coordination with the State Board, the timing for disbursements from this program don't appear to reflect that. The timeline for implementation should be coordinated to align with California Water and Wastewater Arrearage Payment Program under State Water Board in order to maximize the availability of program benefits for

eligible customers. The priority should be to address any gaps that may exist after State Water Board funding has been appropriated. For example, customer debt may have been incurred after June 15, 2021, and coordinate the programs to maximize benefits. We believe the best way to accomplish this is to distribute most of the larger debt relief funding from the State Water Board first. This would allow the Department to benefit from information gathered by the State Water Board in its efforts and enable the Department's smaller pool of funding to be targeted towards some or all of the remaining debt for eligible households.

Given the nature of the individual application process and the potential flexibility of the California LIHWAP program to apply to debt accrued after June 15, we urge the two agencies to coordinate to implement the California Water and Wastewater Arrearage Payment Program first and the LIHWAP program second. Relief must be disbursed swiftly and intentionally, and we believe such a timeline is best suited to do so.

5. Develop Allocation Based On Population And Level Of Water Debt

At the July 20, 2021 LIHWAP meeting, the Department identified its process for allocating funds to counties. That allocation is not discussed in this plan, which fortunately provides the department with the time and opportunity to develop an allocation proposal that better identifies the relative need among California counties. While we agree that the population of potentially eligible residents should be the major indicator of relative need, we do not agree that the calculation of average water rates by county is at all useful. Even if rates were available for all or even most systems, the sheer number of systems in many counties and the wide divergence in rates would render this number useless for planning purposes.

Instead, we recommend that the Department use relative levels of debt by county, a number that will be determined by the survey that the Board must conduct as part of the program approved by the Legislature. That, combined with an understanding of the level of debt that will be paid by the State Water Board and the eligible population, should give the Department sufficient information to create an accurate and equitable allocation formula.

6. Defer Payment of Unbundled Sanitation Charges to Prioritize Assistance to Households at Risk of Water Service Disconnection

Arrearages due to sanitation agencies that collect sewer charges through the county tax rolls should only be paid after all households at risk of water service disconnection have received assistance. Sanitation districts that collect customer charges through the tax rolls cannot terminate water service, so an unpaid bill does not carry the risk of water shutoff. Maintaining access to drinking water services should be a clear priority for LIHWAP. Thus, sanitation agencies' customer arrearages that are not bundled on a water bill should only be paid with funds

remaining after all households whose water bill arrearages place them at risk of service termination have been serviced. Otherwise, many fewer households at actual risk of water shutoffs will receive this essential assistance.

* * * * *

Thank you for providing us an opportunity to comment. Please feel free to contact us if you have any questions.

Sincerely,



Jennifer Clary
California Director
Clean Water Action



Edward R. Osann
Senior Policy Analyst
Natural Resources Defense Council



Michael Claiborne
Directing Attorney
Leadership Counsel for Justice and Accountability



Uriel Saldivar
Senior Policy Advocate
Community Water Center



Lauren Ahkiam
Water Campaign Director
Los Angeles Alliance for a New Economy

Public Comments of Val Martinez, Executive Director of Redwood Community Action Agency concerning the California State Department of Community Services and Development's (CSD) proposed LIHWAP State Plan

Redwood Community Action Agency fully support the goals contained in the proposed LIHWAP State Plan to safeguard water services for low-income households and prevent water related utility service shut-offs. We see this as essential to the development of a comprehensive plan to prevent the termination of water and energy services for low-income customers by bringing together the resources of CSD and its Network of experienced Low Income Home Energy Assistance Program (LIHEAP) Local Service Providers (LSPs).

We welcome the challenge that the new program presents and strongly urge CSD to work closely with its Network of LSPs to create a program that is responsive to community needs, equitably allocated amongst the state's counties and which fully supports the cost of service delivery.

We recognize that CSD has sought input from the various stakeholder groups and urge CSD to continue to work with the LSPs to create a LIHWAP program that meets community needs and works efficiently with the water companies. We urge the Department to call upon the experience of the LSPs and, in particular, the WPO providers to help further design and implement the program.

As to the allocation of the funds, we strongly recommend that CSD include water bill costs as a factor in their allocation formula rather than simply relying on the percent of low-income population factor. In some areas of the state low-income households pay high costs for metered drinking water and wastewater services while others pay a relatively low flat rate. A population only based allocation formula favors the larger urban areas of the state while smaller rural areas stand to receive a much smaller portion of the LIHWAP funds when utilizing that formula. This could result in smaller, rural water companies and their low-income customers shouldering a disproportionate share of water arrearages' problem.

Lastly, we strongly recommend that CSD modify its proposed program management allocation plan to more equitably cover the program costs

Public Comments of Val Martinez, Executive Director of Redwood Community Action Agency concerning the California State Department of Community Services and Development's (CSD) proposed LIHWAP State Plan

including administrative costs. The federally funded LIHWAP program was modeled after the federal LIHEAP Block Grant program and should cover the costs in the same manner with the exception of the weatherization program services which were expressly removed from the program design.

For example, the LIHEAP program allows for a combined total of 15% for Outreach/Intake rather than the LIHWAP proposed 13% and the Administrative costs are shared at a rate of 50%/50% with the Network rather than the proposed 67% CSD/33% LSPs. We understand that CSD may have a larger role in this program but we too will have significantly increased responsibilities that we cannot predict at this time because the program has yet to be finalized. These responsibilities may include issuing direct payments to the water vendors which adds a new administrative burden on many agencies that have never provided this service before.

In closing, we thank the CSD for the opportunity to offer our comments and recommendations on the proposed LIHWAP State Plan. We welcome further discussion on the points raised in this paper and stand ready to help build a comprehensive response to address the water arrearage problem.

Respectfully submitted by,



Val Martinez
Executive Director
Redwood Community Action Agency
valmartinez@rcaa.org



Central Coast Energy Services
PO Box 2707
Watsonville, CA 95077
831-761-7080



July 29, 2021

To: Department of Community Services and Development (CSD)

From: Dennis Osmer, Executive Director

Re: Draft Low Income Household Water Assistance Program (LIHWAP) Consolidated Appropriations Act of 2021 and American Rescue Plan Grant Implementation Plan & Program Design Comment, July 29, 2021 Public Meeting

Our organization serves the low-income communities of Monterey, Santa Cruz, San Mateo and San Benito counties and the City and County of San Francisco with Low Income Home Energy Assistance Program (LIHEAP) payment assistance and weatherization services. We administered the Drought Water Assistance Program for the County of Monterey in 2014-15 funded by CSD and are currently implementing a similar program with the United Way of Monterey County for California-American Water Company in Salinas. Both these exemplar programs are mentioned in the [Low-Income Water Rate Assistance Final Report](#) conducted by the California State Water Resources Control Board (SWRCB) in accordance with the requirements of Chapter 662, Statutes of 2015 (AB 401, Dodd). We refer you to this report for its information and recommendations in regard to water rate assistance programs.

Questions

Q: Those familiar with CSD's capacity are doubtful of the Plan claim that that payments will be initiated by Fall of 2021. Is there a more reasonable estimate or a clear project timeline with milestones identified available?

Q: In the current model, what is the rationale behind valuing the Subrecipients' services valued lower than the state's?

Q. The response to [Section 1.2 Operational Priorities and Emergency Flexibilities](#), "California has determined the need for financial water assistance to be extraordinarily high and anticipates demand will far exceed the availability of services and funding offered under the Low Income Household Water Assistance Program (LIHWAP). Acknowledging this great need and limited LIHWAP funding, California intends to administer LIHWAP as a water and wastewater utility arrearage response program where the



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level of benefit will be based on the customer's past due balance in order to restore services or avoid service disconnections." Does not make any sense. The rationale seems to be that because there is so great a need and so little of this funding is available, there is no need to prioritize service. This is the reason that prioritization is needed, just as required by the LIHEAP program. Why is there no state requirement for a prioritization for the assistance?

Q: Will LIHWAP be coordinated with the state funded SWRCB Arrearages Program? If so, how will it be coordinated with the state funded SWRCB Arrearages Program? If not, what are the barriers for CSD to coordinate?

Q: Will you be including other stakeholders in your LSP LIHWAP Workgroup meetings?

Q: Will non-LIHEAP Service Providers be offered contracts?

Q: If non-LIHEAP Service Providers will be offered contracts, will they be required to be nonprofit organizations/CBOs?

Q: How will the total funding be allocated geographically in the state in an equitable method?

Q: What criteria will be used to determine whether customers with drinking water and wastewater arrearages that are in jeopardy of being disconnected?

Q: The current practice is to accept a time limited document from each applicant to document past due balances for LIHEAP program eligibility. At the Public Meeting it was stated that each water supplier will be contacted to confirm/document every instance of a past due applicant balance. Will each water supplier actually need to be contacted to confirm/document every instance of a past due applicant balance?

Q: Are the countable income categories listed in Section 1.7 limited to just those?

Q: Will CSD attempt to make agreements with all 2900 water providers? If not, how will it be determined which ones might be targeted by directly the state?

Q: What is the number of Wastewater Service vendors in the state and will CSD attempt to make agreements with all of them? If not, how will it be determined which ones might be targeted directly by the state?

Q: Is the one bill payment rule applicable to both sources of federal funding (Consolidated Appropriations Act of 2021 and American Rescue Plan) or each? Is there one program/sub grantee contract or two?



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Q: Are all of California's water utilities operating under Executive Order N-42-20, which prohibits disconnections for non-payment of water service as stated in Section 2.12?

Recommendations

We recommend that:

- The definition of an eligible vendor be included in the Plan document
- Public Members and other stakeholders be added to CSD's LIHEAP Service Providers' LIHWAP Workgroup meetings for better design and better communication.
- There is a prioritization of people in our communities with the greatest need for water rate assistance. Examples of this prioritization could include inclusion in a vulnerable population category, income levels, or medical needs which expose them to a greater degree of danger than the rest of the low income population.
- Administration funding be equally split between the state and sub recipients.
- The recommendations of the final LIHWAP report of the California Community Action Partnership Association (CalCAPA) be followed.

Hello CSD

Thank you for the informative webinar today. I would like to offer the following comments for consideration:

1. Since this is a program to prevent disconnections for low-income ratepayers who have suffered a financial hardship during the pandemic, I don't see the reasoning to cap the payments at \$1,000. LSPs should have the ability to request payments equal to the amount of arrearages incurred during the pandemic. The average unpaid balance may be \$300, but there are many with unpaid bills that far exceed \$1,000. Why not make those customers whole?
2. Please consider extending the look-back period for income verification to 3 months, instead of just 1 month. Many of our customers are just now re-engaging in the workforce now that the State economy is improving. I think it is fair to extend the eligibility to an applicant to any 4 week period during the last three months.
3. CSD should make it a requirement for the fresh water and wastewater vendors to enroll in the 3rd party payment registration program. It is not fair to place that contractual and fiscal burden on the LSPs. LSPs do not have the financial resources or the infrastructure to manage such a massive and complex billing system for potentially thousands of applicants to numerous utilities. There is no way the administrative dollars in LIHWAP would begin to adequately cover the actual costs for processing those payments. If registering with the State's 3rd party payment vendor is difficult, the water vendors will simply "select" to contract with the LSPs if it is easier.
4. Regarding #3. If CSD doesn't want to make it a requirement for the vendors to register with the State's 3rd party system, then the LSPs should be given the discretion to refuse to provide service to the vendor.

Wayne R. Harris, J.D.

Program Director, Energy

Community Action Partnership

Housing, Homelessness Prevention and Workforce Solutions



All:

On behalf of the California Water Association, below please find comments on the LIHWAP program.

Today, during the LIHWAP State Plan Public Meeting, your team asked if the \$1,000 in arrearage assistance was sufficient to meet the needs of low income Californians. Following the meeting, I immediately reached out to our member companies and asked them for the number of low income customers with over \$1,000 in arrearages. Below is the information that I was able to secure in the short time period. As you will see, there are a number of low income customers with over \$1,000 in arrearages. Based on this data, **we respectfully request that CSD increase the arrearage assistance to \$1,500 per customer account. If CSD is unable to increase the overall amount, we request that CSD allow for a dispensation for customers with special circumstances that resulted in the higher arrearage amount.**

<u>Utility</u>	<u>Number of Customers with over \$1,000 in arrearages</u>
Cal Water	1,371
San Gabriel	1,066
Cal Am	358
Liberty	304
Golden State	237
Suburban	53
Great Oaks	16

We'd also like CSD to consider a webinar for the LSP coordinators to learn more about the low income assistance programs offer by our member utilities so that a low income customer could receive the benefits of a longer term water utility rate assistance program.

Thank you for your consideration of our comments.

Take care,

Jennifer

[JENNIFER M. CAPITOLO](#) Executive Director @ California Water Association

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July 28, 2021

Department of Community Services and Development
Attention: Becca Russell, Energy and Environmental Services Division
2389 Gateway Oaks Drive, Suite #100
Sacramento, CA 95833

Dear Becca Russell:

On behalf of the City of Los Angeles, LA Sanitation and Environment, I write to express strong support for the California Draft 2021 Low Income Household Water Assistance Program (LIHWAP) State Plan (Plan) and welcome the Department of Community Services and Development (CSD) to meet with the Clean Water community to further discuss implementation of this program.

The City of Los Angeles is responsible for operating and maintaining one of the world's largest wastewater collection and treatment systems with over 6,700 miles of sewers that serve more than 4 million residential and business customers in Los Angeles and 29 contract cities and agencies. It is imperative that these sewers and treatment systems are operational to ensure that the health of the public and our environment are protected.

We understand that this Plan is a response from the California CSD to the U.S. Department of Health and Human Services to become eligible for federal funding. We applaud the effort of CSD in securing the available federal funding and expediting a program for distribution.

We provide the following comments to CSD on the Plan in the form of questions seeking clarity and common ground:

1. The Plan discusses a need for understanding wastewater utilities and their programs and for educating utilities on the LIHWAP. We ask that these discussions happen in August 2021 and early in the process of implementation.
2. We have a concern that the existing three Local Service Providers in Southern California may not be adequately staffed to handle the subscribers to the new program. Is there existing capacity for these new subscribers? What is the plan for increasing capacity if needed?

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3. There may be implementation issues for Clean Water utilities that do not have combined Water/Clean Water bill payment systems. We seek assurance that the funding distribution mechanisms would be flexible to account for the different processes. These issues may be addressed at the proposed meeting.
4. Communications developed by the State should ensure that there is enough clarity for subscribers on what relief is available to them as this program will only pay bills accrued according to specific criteria. The roles and responsibility of the State and of the utilities to inform and recruit eligible households should be identified.
5. The documentation made available on-line does not allow the reader to review the document in entirety.

Thank you for your efforts to assist low-income households in meeting utility bill obligations. Clean Water utilities, such as ours, safeguard public health and the environment, it is critical that these services are provided universally to ensure community-wide coverage. If LA Sanitation and Environment can be a resource for you in the future, please do not hesitate to contact me at 213-485-2210.

Sincerely,



BARBARA ROMERO
Director and General Manager
LA Sanitation and Environment

BR/JM:jm

c: Traci Minamide LASAN – EXEC
Lisa Mowery LASAN – EXEC
Mas Dojiri, LASAN – EXEC
Hassan Rad, LASAN – RAD
Jim Marchese, LASAN – RAD

To Whom It May Concern,

Thank you for the opportunity to review the draft plan and provide comments. The follow questions arose when reviewing the draft plan:

- Section 3.1 - regarding outreach, do the utilities provide the list of customers to the LSPs? Who is responsible for conducting the outreach?
- Section 4.1 - there may be information missing, as the last sentence seems to be cut off; do applicants have to be in LIHEAP already? It doesn't seem that they would, considering the other qualifiers, but this section makes that unclear.
 - Do applicants need to be legal residents? This was not clear.
- Section 12.8 - what are the data exchange details? How often is "regularly?" Will there be an established sftp or other secured site for the data exchange? What will be the customer identifier (Account number, name and address, etc.), and how will we ensure that we follow all LADWP(utility) cyber security protocols regarding the sharing of PII? How will the data transfer agreement be stipulated (considering different utilities may have different legal requests)? While section 2.13 states what should be included in the data, will there be a template to ensure uniformity?
- It appears that this is a one-time benefit up to \$1,000 maximum. If they already got a LIHEAP pledge this year, does that impact their ability to request LIHWAP?
- Many sections seemed to have the last sentence cut off, so there is a possibility that additional questions/comments would arise if we receive the full text.

Thank you again, and please let us know if anything above requires clarification.

Rachel Armendariz Ortiz

CSD/Revenue Management



Dear LIHWAP team:

We appreciated the opportunity to attend CSD's stakeholder session last week on the Low-Income Household Water Assistance Program (LIHWAP). The California Urban Water Agencies (CUWA) is a nonprofit corporation of 11 major urban water agencies that collectively deliver drinking water to two-thirds of the state's population. Water affordability is a top priority for CUWA—our mission is to leverage the collective expertise and resources of our member agencies to advance reliable, high-quality water supplies for California's current and future urban water needs in a cost-effective manner for the public, the environment, and the economy.

Since last week's stakeholder session, we have convened some of our agencies' finance and external affairs staff to discuss the program and solicit feedback. Below are some comments and considerations posed by our member agencies—we hope you find these helpful as you finalize the LIHWAP plan.

While we recognize the importance and urgency in disbursing these emergency assistance funds, we would appreciate continued dialogue if/when LIHWAP develops into a longer-term program. Many of our agencies have recently learned of LIHWAP and would value the opportunity to provide additional input as the program progresses, including exploring ways to maximize program participation and efficiency to provide greatest benefit to the customer.

CUWA Agency Comments

2. **Application process.** Water agency experience shows that requiring documentation to verify income level, immigration status, etc. significantly reduces program participation. If there is flexibility to waive these documentation requirements and enable self-reporting (either for this current program or a future longer-term program), we would expect the program to benefit more eligible customers.
3. **Processing funds/crediting benefits to customers.** For smooth processing, water agencies will need to receive the customer name, account number, and dollar amount to be credited. It may be challenging to detail the LIHWAP credit on the bill itself (e.g., due to space constraints); for many agencies, it would be easier to send out a separate letter notifying customers of the benefit.
 - Based on today's Q&A session, it sounds like CSD will work with the water providers to determine a process for resolving discrepancies (e.g., for return payments or partial credits) and confirm the format/expectations for reporting. Clarifying these expectations up front will facilitate water agencies in setting up a plan for tracking and reporting.
4. **Outreach.** CUWA agencies are already thinking about creative ways to advertise the program, including social media blasts, putting flyers in school lunches, and reaching out to local family resource centers. Although the grant outreach funds are earmarked for local service providers (LSPs), it may be beneficial to pilot an outreach program led by water providers and monitor impact on program participation rates. If effective, dedicating funds to support increased water agency outreach may be beneficial for a longer-term program.
5. **Coordination/data sharing.** We appreciate CSD working with the State Water Board to coordinate programs and would encourage exploring whether there are opportunities to automatically enroll in LIHWAP based on other state or federal programs.



**California Special
Districts Association**

Districts Stronger Together

July 29, 2021

Becca Russell
California Department of Community Services and Development (CSD)
2389 Gateway Oaks Dr., Suite #100
Sacramento, CA, 95833

RE: CSDA Comments, Draft 2021 LIHWAP State Plan

Dear Ms. Russell,

The California Special District's Association (CSDA) thanks you for the opportunity to provide comment to the California Department of Community Services and Development's (CSD) Draft 2021 Low Income Household Water Assistance Program (LIHWAP) State Plan.

CSDA represents over 1,000 independent special districts and affiliate organizations throughout the state that provide millions of Californians with essential local services including water, irrigation, and sanitation districts that provide clean drinking water, treatment, recycling, wastewater collection, and resource recovery to their communities. These local agencies maintain and operate critical local infrastructure and resources and have been significantly fiscally impacted by COVID-19 response due to the accrual of non-payment of debt. Just as significantly, many of their constituents most impacted yet least able to handle the burden of outstanding debt are now saddled with water and wastewater utility arrearages these local agencies have no recourse to forgive outside of specific state funding opportunities such as LIHWAP.

We would like to specifically recognize and note our appreciation for your inclusion of wastewater in the Draft 2021 LIHWAP State Plan. Due to the economic impacts of COVID-19, numerous wastewater treatment providers and their hardest hit constituents will benefit from the funding awards CSD assigns.

While there have been several efforts to provide public agency utility bill relief to customers, these programs fall short of overall need. For instance, while utility payments are an eligible category in the distribution of funds through the SB 91 Rental Assistance Program, the core focus is rightfully on ensuring Californians can stay in their homes without the fear of eviction. Additionally, while the newly created California Water and Wastewater Arrearage Payment Program established in the 2021-22 State Budget will provide reimbursement for community water system arrearages and revenue shortfalls, the \$1 billion fund is likely to be oversubscribed and wastewater treatment provider fiscal impacts would only be funded if there are sufficient funds remaining after community water system debt has been processed. While the overall federal funding available to LIHWAP will cover only a small portion of unpaid bills, it is a valuable resource to ensure water and wastewater utility bill assistance is extended to those households most in need and covers all local agency utility debt in the clean water sector.

If you have any questions, please do not hesitate to reach out to me at (916) 505-4978 or at alysas@csda.net.

Sincerely,

Alyssa Silhi
Legislative Representative

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July 29, 2021

Becca Russell
California Department of Community Services and Development (CSD)
2389 Gateway Oaks Dr., Suite #100
Sacramento, CA, 95833

SUBJECT: Draft 2021 LIHWAP State Plan

Dear Ms. Russell,

On behalf of the California Association of Sanitation Agencies (CASA), thank you for the opportunity to provide comments on CSD's Draft 2021 State Plan for Low Income Household Water Assistance Program (LIHWAP). CASA represents more than 125 public agencies and municipalities that engage wastewater collection, treatment, recycling, and resource recovery, and our vision is to advance public policy and programs that promote the clean water community's efforts in achieving environmental sustainability and the protection of public health.

We first want to convey our recognition and appreciation for the inclusion of wastewater in the 2021 draft plan. Due to the economic impacts of COVID-19, numerous CASA members will benefit from the funding awards CSD assigns, which is intended to alleviate the utility debt burdens on the hardest hit households in California. This relief will ensure our member agencies do not have to absorb the entirety of impacts from unpaid bills, which otherwise may lead to significant local impacts.

In anticipation of our meeting with CSD staff next week, we would like to note a few items which were mentioned during the workshop today that we will like to discuss, including how wastewater agencies with different revenue streams can participate, how the local service providers (LSPs) are organized and staffed, and the various roles between LSPs and our member agencies in identifying eligible customers.

Thank you for the clean water sector's inclusion in the draft 2021 state plan. We look forward to meeting your team to discuss the above items in more detail and are eager to assist with the implementation of this program. In the interim, if you have any questions, please do not hesitate to reach out to Jessica Gauger at (916) 446-0388 or at jgauger@casaweb.org.

Sincerely,

A handwritten signature in blue ink that reads "Jessica Gauger". The signature is fluid and cursive, with a long horizontal stroke at the end.

Jessica Gauger
Director of Legislative Advocacy and Public Affairs

As a resident of a rural community which is again suffering through extended drought conditions I have little hope of making it completely through this summer without finding my well going dry again.

I would like to suggest that CSD and local agencies consider the addition of water well depth extension as part of the program. My reasoning is below.

It was helpful in the last water related contract to have water deliveries made which did allow for continued habitation of so many homes in the rural areas.

I was one of those homes which benefitted by the water deliveries and greatly appreciated the effort and the assistance by the local Community Action Agency, ATCAA in providing that benefit. At that time, I was still working for ATCAA as the Wx Program Supervisor, from which I have now retired.

In the previous rounds of the water contract, I had asked if there were any plans to include well deepening for those whose well is able to produce water, but simply doesn't have enough reserve capacity to get a home through a full day of use without running dry.

Some wells, such as mine near Sonora were originally drilled to what seemed at the time to be more than sufficient depth, at 120 feet. since 1962 though, the water table has increasingly lowered and while the well is completely sufficient for all household purposes when the water table is up where it belongs.

However, it does lower during drought periods to a level which is barely functional, at best.

Naturally, if the water program is again offering just deliveries of water and I still qualify, I would avail myself of that benefit, and be very appreciative again. However, there is what seems a better route.

During the last drought program, I did a cost analysis of the cost of the deliveries versus the limited costs of drilling the well deeper to capture any possible second stream of water and to also increase the water column reserve in the well.

At the cost of nearly \$300 per delivery twice each month, the cost of drilling the well another 100 - 200 feet deeper would have been captured in less than six months.

Thank you for the opportunity to offer this response.

Garry Swaffar

Thank you so much for the opportunity to ask questions today. Roseville is a bit unique as we are a full service city and our customers receive one bill with all of their charges (Electric, Water, Wastewater, recycled water and refuse). My question is on the \$1,000 cap. Is the cap for all services on the bill or will they qualify for funds from LIHEAP and LIHWAPP? You stated it was a cap of \$1,000 for 1 bill so I am taking that to mean since all services are on 1 bill the \$1,000 is for all services provided.

Another question is re: establishing a direct payment option with CSD. I do know we have a relationship with our LSP currently through the LIHEAP program. Will it still be better to establish the direct payment through you (CSD)?

As for my wastewater question re: shut-offs. Thank you for your response, I understand they just need show they have arrearages.

Again thank you for the opportunity today to learn more about the program.

Respectfully,

Noelle Mattock

Utility Government Relations Administrator
Environmental Utilities

