PUBLIC UTILITIES COMMISSION

Office of Governmental Affairs

770 L Street, Suite 1230 Sacramento, CA 95814 (916) 327-3277

August 12, 2009

The Honorable Christine Kehoe, Chair Senate Appropriations Committee State Capitol, Room 5050 Sacramento, CA 95814

RE: AB 975 (Fong) - As Amended July 15, 2009 - Support

Status: Senate Appropriations Committee Hearing - August 17, 2009

Dear Senator Kehoe:

The California Public Utilities Commission (CPUC) voted unanimously to support AB 975. This bill would require water corporations that have 500 or more service connections to meter new connections by January 1, 2010, and to meter all unmetered connections by January 1, 2020. This bill would also require water corporations that have 500 service connections or less, to install water meters if the CPUC makes one of the findings: 1) metering will be cost-effective within the service area; 2) metering will result in a reduction of water use within the service area; and 3) metering costs will not impose an unreasonable financial burden. In addition, this bill would make the deadline for metering unmetered connections to be consistent with existing Water Code Section 527, which has a January 1, 2025 deadline.

This bill would improve the CPUC's authorization process and encourage the installation of water meters for regulated water utilities. This bill would also further the continued efforts by the CPUC to encourage water conservation among the customers of regulated water utilities.

Please see the attached analysis for a more detailed explanation of the CPUC's position.

If you have any questions or wish to discuss this matter further, please do not hesitate to call me at (916) 327-7788.

Sincerely,

MICHAEL POE Legislative Liaison

Attachment

cc: The Honorable Paul Fong, Member, California State Assembly

Members, Senate Appropriations Committee

Brendan McCarthy, Senate Appropriations Committee

Rocel Bettencourt, Senate Republican Caucus/Fiscal Policy

John Moffatt, Chief Deputy Legislative Secretary, Office of Governor Arnold Schwarzenegger