



# California Public Utilities Commission

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## Press Release

FOR IMMEDIATE RELEASE

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### **PUC ADOPTS WATER ACTION PLAN AS ROADMAP FOR POLICIES AND PRIORITIES**

SAN FRANCISCO, December 15, 2005 - The California Public Utilities Commission (PUC) today approved a Water Action Plan (WAP) that identifies policy objectives that will guide the Commission in regulating investor-owned water utilities and highlights the actions that the Commission anticipates or will consider taking in order to implement these objectives.

The Commission's objectives in regulating water utilities rest on four key principles: 1) Safe, high quality water; 2) Highly reliable water supplies; 3) Efficient use of water, and; 4) Reasonable rates and viable utilities.

"The Water Action Plan provides a clear outline of what our priorities are and the direction that we want to take in this area" said Commissioner John Bohn. "The initiation of this plan is not an end, but the beginning. As we move forward, we need all of the stakeholders who provided input to continue to be involved in the process."

Building off of the four key principles, the Commission developed six objectives, each with a series of actions that advance them:

- **Maintain Highest Standards of Water Quality**
  - Water quality is vital to the health of consumers. Delivering safe water requires a reliable infrastructure. The Commission will bolster its current collaborative relationship with the enforcers of water quality standards, the Department of Health Services, and the Federal Environmental Protection Agency so that problems are quickly identified and acted upon.
- **Strengthen Water Conservation Programs to a Level Comparable to Those of Energy Utilities**
  - Water conservation is critical in California to extend limited resources as far as possible to allow for future growth. The Commission will use existing tools to strengthen utility conservation programs and will provide the necessary direction to do so by initiating formal proceedings where appropriate.

- Promote Water Infrastructure Investment
  - The Commission will provide financial incentives and direction to encourage investment in infrastructure needed to improve water quality.
- Assist Low-Income Ratepayers
  - Low-income customers often struggle with payments for basic monthly water service. Similar to the Commission’s practices in the telecommunications and energy industries, the Commission will develop options to increase affordability of water service for these customers as well as provide specific emphasis on water conservation programs for low-income water customers.
- Streamline PUC Regulatory Decision-making
  - The PUC’s decision-making process will be streamlined to the benefit of both the utilities and ratepayers. The Commission will seek public input as it develops new procedures to ensure meaningful consumer input into Commission decision-making.
- Set Rates That Balance Investment, Conservation, and Affordability
  - The PUC will ensure that established rates provide for recovery of reasonable and prudently incurred costs and a fair and equitable return to ratepayers. The Commission will develop rates and ratemaking mechanisms to further the above goals of affordability, conservation, and investment in necessary infrastructure.

The report is on the Commission’s website at  
[http://www.cpuc.ca.gov/static/hottopics/3water/051109\\_draftwateractionplan.pdf](http://www.cpuc.ca.gov/static/hottopics/3water/051109_draftwateractionplan.pdf).

For more information on the PUC, please visit [www.cpuc.ca.gov](http://www.cpuc.ca.gov).

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