

Testimony to Los Angeles City Council Committee on Energy and the Environment 08/18/2010

As members of Mary Immaculate Church in Pacoima, a member of One LA-IAF, we want to represent the interests of our community regarding the City Council proposal to create an independent position at the Department of Water and Power that can represent the interests of the rate payers.

Last spring our parish and other congregations and schools in One LA organized small group meetings of over 1,000 community members to discuss community concerns. Over 400 people from our parish participated. Over and over again we heard people speak about the difficulties and confusion they had in dealing with the Department of Water and Power.

The concerns covered a wide range of issues. Many families have worked diligently to conserve water only to find their water rates continue to rise. Many people lacked information about DPW programs that offer discounts in rates for large families—or for low income families. They had difficulty accessing the information even after they learned about it from other parishioners. There was tremendous confusion over the bills they received. Many of the bills did not include all of the monthly charges other bills added delayed charges after long periods of inaccurate estimated payments. Many pointed out this made planning monthly budgets very difficult. These estimated payments caused confusion and great hardship when they were latter adjusted and added to bills. There were many questions about meter replacement and uneven and confusing information offered concerning access to new meter technology.

We do not see ourselves as victims and our parish leadership team decided to form a committee to research these issues and work with DWP to find answers. Unfortunately, this has been the most painful part of our experience. We called on our parish community to participate in the research plan. At our first meeting we had 100 members. We appointed 25 to plan a meeting with DWP where we could raise these concerns in a responsible manner. Our chairperson and organizer with One LA met with a Government and Neighborhood Relations person in early July to plan a meeting for mid August.

In fact we had proposed we meet in our parish hall on August 18....tonight. For three weeks we attempted to follow up with DWP and our phone calls were never returned. By early August we had to cancel the meeting and began to call Public Affairs Director Ms. Wendie Yancy. Again, we heard nothing from her office until yesterday---only to be told DWP would not come to a meeting we had already canceled! We were also told Ms. Yancy would contact us the same day. We've yet to hear from her. We know life is busy. We are all busy. There is no excuse for DWP's lack of response to an organized community that is ready and willing to educate thousands of its members about a public utility we are all supposed to "own".

Does DWP need to create an independent position to oversee rates, rate increases and issues of concern to the rate payers? Absolutely! We are here to voice our support for the Council proposal to create this position. We plan to forge ahead in our efforts to educate the residents of our community on these issues and take constructive action to improve the services of our public utility, the Los Angeles Department of Water and Power.

---

## PROPOSITION #

**Shall the City create an Office of the Independent Utility Analyst to make recommendations about utility rates to the LADWP Board of Commissioners, the City Council and the Mayor?**

---

### PROPOSITION #

Describing and setting forth a proposal to the qualified voters of the City of Los Angeles to amend the Charter of the City of Los Angeles by adding a Section #, to create an Office of the independent Utility Analyst to evaluate, analyze, provide comments and make recommendations on the efficiency, equity, fiscal feasibility, and long term impacts of utility rate proposals prepared by the Los Angeles Department of Water and Power under charter section #; to require the City Controller to appoint an Independent Utility Analyst; and prescribing the duties and responsibilities of the Office of the Independent Utility Analyst.

The City Council hereby submits to the qualified voters of the City of Los Angeles, at an election to be held on March 11, 2011, a proposal to amend the Charter of the City by adding Section # to read as follows:

#### SEC. #. INDEPENDENT UTILITY ANALYST

(a) *The Office of the Independent Utility Analyst shall evaluate, analyze, provide comments and make recommendations on the efficiency, equity, fiscal feasibility, and long term impacts of utility rate proposals prepared by the Los Angeles Department of Water and Power under Charter section #, independent of the Board of Commissioners of the Los Angeles Department of Water and Power. The Office of the Independent Utility Analyst may evaluate and comment on the efficiency, equity, fiscal feasibility, and long term impacts of the Board of Commissioners of the Los Angeles Department of Water and Power's contracts, investments, program expenditures and operations. The Office of the Independent Utility Analyst may engage outside contractors to provide data gathering, analysis, reporting and other services consistent with the mission of the Office of the Independent Utility Analyst. The Office of the Independent Utility Analyst shall be located as determined by the City Controller.*

(b) *The City Controller shall, with the advice and consent of the City Council, create a panel of volunteers to provide advice on the Office of the Independent Utility Analyst. This panel shall consist of five members, one shall be chosen from the environmental community, three from the neighborhood councils, and one from the business community. The City Controller shall, with the advice of the panel, appoint an Independent Utility Analyst, who shall perform and manage the functions of the Office of Independent Utility Analyst and serve at the pleasure of the City Controller. The Independent Utility Analyst shall have experience in utility rates methodology and analysis, and experience relevant to the operation of water or power utilities. The Independent Utility Analyst may appoint such additional staff as deemed necessary to accomplish the mission of the Office of the Independent Utility Analyst.*

(c) *The Office of the Independent Utility Analyst may, at its discretion, hold public meetings and provide timely recommendations to the Board of Commissioners, the City Council and the Mayor regarding rate proposals, budgets, bond issuance, contracts, investments, program expenditures and operations.*

(d) *The Office of the Independent Utility Analyst shall have the opportunity to provide comment on utility rates proposed by the Board of Commissioners of the Los Angeles Department of Water and Power at any meeting where the meeting agenda includes the discussion of utility rates proposed by the Board of Commissioners of the Los Angeles Department of Water and Power. The Office of the Independent Utility Analyst shall have at least the same amount of time at such meetings to provide such comments as the Board allocates to the Department of Water and Power staff representatives.*

(e) *The Office of the Independent Utility Analyst may accept ratepayer inquiries, and provide appropriate explanations regarding proposed rates designed to enhance ratepayer understanding of the rate-setting methodologies, requirements and procedures. The Office of the Independent Utility Analyst may conduct ratepayer outreach activities.*

(f) *The Board of Commissioners of the Los Angeles Department of Water and Power and the staff of the Los Angeles Department of Water and Power shall fully cooperate with the Office of the Independent Utility Analyst by providing prompt access to documents and other information reasonably related to proposed utility rates.*

(g) *The costs of providing the services of the Office of Independent Utility Analyst shall be paid from a fund that is held by the City Controller and derived from an annual assessment of 0.1% of the gross revenues of the Los Angeles Department of Water and Power. This fund shall carry over from year to year but not exceed 0.3% of the gross revenue of the Los Angeles Department of Water and Power in any year a new assessment is made. Upon passage of this proposition, the Los Angeles Department of Water and Power shall make an initial deposit of \$500,000 into the fund to cover the start up cost for the Office of the Independent Utility Analyst.*

Version A, 8/16/10

Chuck Ray  
[Chuck@MarVista.org](mailto:Chuck@MarVista.org)