

July 7, 2012

DWP Committee Resolution

The DWP (Advocacy) Committee is exceptionally concerned about the independence of the Ratepayers Advocate and the Office of Public Accountability.

As such, the DWP (Advocacy) Committee, pursuant to a unanimous vote on July 7, 2012, urges that the Energy and Environment Committee seriously consider the following memorandum in an open and transparent manner. This communication was submitted to such Committee on June 20, 2012 by Chuck Ray of the Mar Vista Neighborhood Council.

Communication from Chuck Ray to the Energy and Environment Committee on June 20, 2012

Some of the things I would like to see in the enabling ordinance for the Office of Public Accountability are:

1. Shielding the Office of Public Accountability from pressure by the Council and Mayor by creating something equivalent to a Board of Commissioners. However, in line with the independence of the OPA this board should NOT be selected by the Mayor or the Council. The plan that Austin Beutner's Advisory Committee on the RPA prepared two years ago while he was the GM of the DWP might be a good model here. Here's what that plan says:

"The RPA Board will consist of nine voting members, which would represent the diversity of Los Angeles. Composition of the RPA Board is as follows:

- *Neighborhood Council – three members*
- *Labor – one member*
- *Environmental – one member*
- *Non-profit (e.g., hospital or educational institution) – one member*
- *Business – three members."*

2. Similar to the Memorandum of Understanding between the DWP and the Neighborhood Councils, there should be an MOU between the OPA and the NCs. The OPA was designed to serve the little guys – homeowners, apartment dwellers, owners of small apartment buildings, small businesses. The other entities are large enough and wealthy enough to get heard without an OPA. The MOU with the NCs would codify how the small guys would interface with and support the activities of the OPA.
3. There are several opportunities that are not directly addressed in the charter amendment that could become functions of the OPA. For example, it is very likely that some stakeholders and ratepayers will assume that the OPA is the place to complain about DWP service. I believe that the OPA should have a way of receiving

complaints about the DWP, forwarding them to the appropriate liaisons at the DWP and following them up to see that the DWP is responding appropriately to the ratepayers. This is NOT a full Ombudsman function but might turn into such a capability if it proves that the DWP can't handle ratepayer complaints adequately.

4. The matter of analyzing DWP rates is, of course, highly complex. There are almost an infinite number of variables at play. It takes a well experienced technocrat like Dr. Pickel or PA Consulting to make sense of the data. However, the ordinary ratepayer's need more than the Ratepayer Advocate's word that the DWP's rate requests are reasonable and necessary. On the other hand, the ordinary ratepayer's can't assimilate the detail and make sense of the voluminous reports from the DWP on their rate requests. Therefore, the enabling ordinance for the OPA should direct that Office to make a best effort to provide the ratepayers with easily assimilated data on why they recommend or oppose whatever rate requests the DWP makes.
5. Yet another way to help the OPA to be independent would be for the enabling ordinance to provide for an Independent Council separate from the City Attorney's Office. If that can't be done because of some legality I haven't run across, I have found a few lawyers that would be willing to advise Dr. Pickel on a Pro Bono basis.
6. Finally, Dr. Pickel seems to have been totally co-opted by the CAO and DWP. The enabling ordinances should have language that shows that the OPA is independent of the CAO and the DWP. The presentation package for the DWP's rate road show had Dr. Pickel's viewgraphs stapled into the rest of the DWP's presentation. One of the stakeholders from the Stone Canyon area, I believe, commented that it was clear to her that the Ratepayer Advocate wasn't independent from the DWP.

Chuck Ray
Mar Vista Neighborhood Council