



**TUALATIN VALLEY**  
WATER DISTRICT

December 12, 2022

At the November meeting there was a recommendation to establish low-income support consistent with values of the committee. That is certainly a relevant consideration. However, here is the problem: Oregon and Washington are trying to deal with a long-term problem of embedded racism and oppression of minorities which has become a part of how our society operates. Both state governments are working internally to identify and figure out what can be done to correct past wrongs that continue to affect families generation to generation. At the same time we face climate change more quickly than we imagine possible. For example, Seattle will become pretty much like today's Miami by 2095 to 2121, depending on the calculation. Trying to handle disaster preparedness and resilience will be really expensive, so electricity rates will shoot up year over year due to the drive for electrification. If natural gas is to be shut down, there will also be the full cost of running gas systems with fewer and fewer customers as upper income customers leave the systems. I don't know what kind of water projections are being done here and how water supply will be ensured as we go forward into years of climate damage to the environment and built infrastructure, but I do work with the "decision making under deep uncertainty" tools developed and used by the WUCA water utilities and would be interested in climate planning efforts.

So, as we go forward, due to climate change, we can expect supply chain problems to increase, and costs of food and utilities to increase, more and more. Right now the US economy does not produce enough living wage jobs for half the population of workers. The same is true for Oregon. This means that something over one-half of workers are not paid a living wage. (There are several metrics for this, I am just using living wage as one of the metrics.) The poverty level is an ill-constructed measure, probably a good job for a first try. But it does not capture income insufficiency, which can be estimated at more like 250% to 450% of poverty depending on family size and where a person lives. With costs going up and the economy under strain from climate disasters, more and more people will become unable to pay for utilities over time between now and 2050. So, the plan should take these factors into account.

In this context, I would like suggest to additional criteria for consideration. First, the new low-income support should include home retrofits for water systems, including leak detection and replacement of home water systems as necessary. Second, this work on home systems should be free to the low-income customer. Third, on the rate side, the primary criterion for consideration should be that the rate actually work for each low-income household included in the rate. Forth, that farm worker families, to the extent they are included in the water system, should be provided just and reasonable rates - not in terms of the jargon of the regulatory system where just and reasonable means a close approximation to imaginary free market rates, but in the everyday language sense of just and reasonable - access to sufficient water at a price that can be comfortably paid. The rate has to actually work for low-income families, and not just be a gesture in direction of lowering rates. Fifth, whatever the new rate, there should be careful examination to insure that other rate provisions do not cancel its effect for the lowest income customers. Often discounted or tiered rates work well for the upper ranges of poverty income, but effects are cancelled out by a minimum payment provision or a maximum subsidy provision, or late fees, or service restoration fees.

I will be doing inspections for the Utilities and Review Board in Nova Scotia this week, so I will miss the December meeting, but I will try to send some more suggestions. I am very happy that you will try to put a low-income program and/or rate into place.

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