

Water Utilities Update

Low – Income Oversight Board

Water Division

September 16, 2026

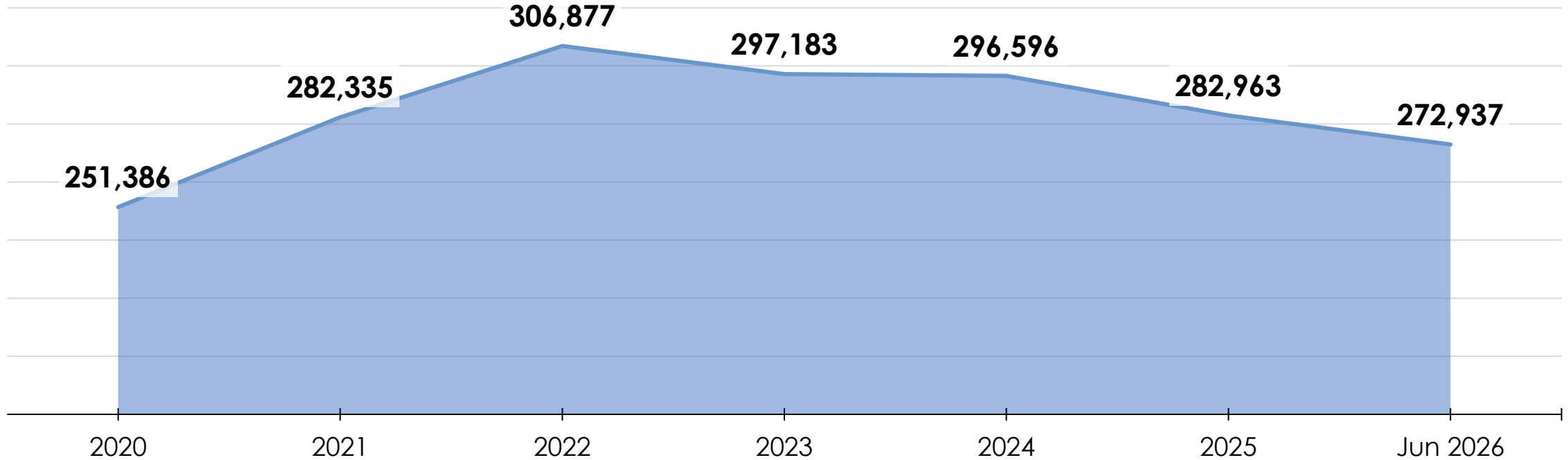


**California Public
Utilities Commission**

Overview

- Customer Assistance Program (CAP)
- Water Bill Arrearages
- Revised Water Acquisition Framework

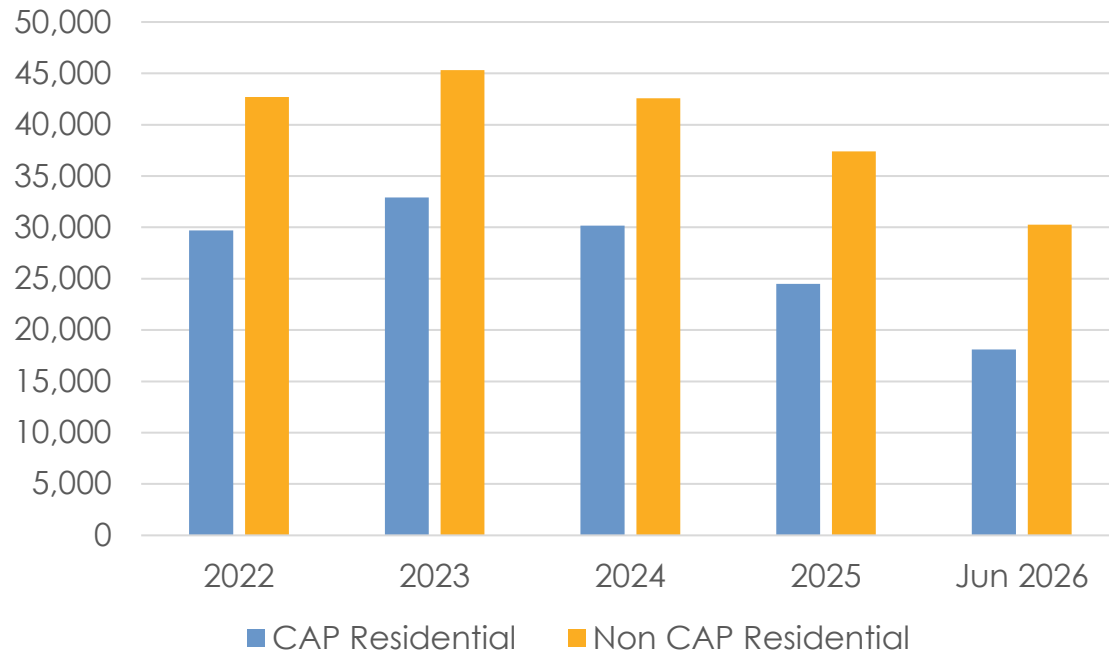
Total CAP Enrollment



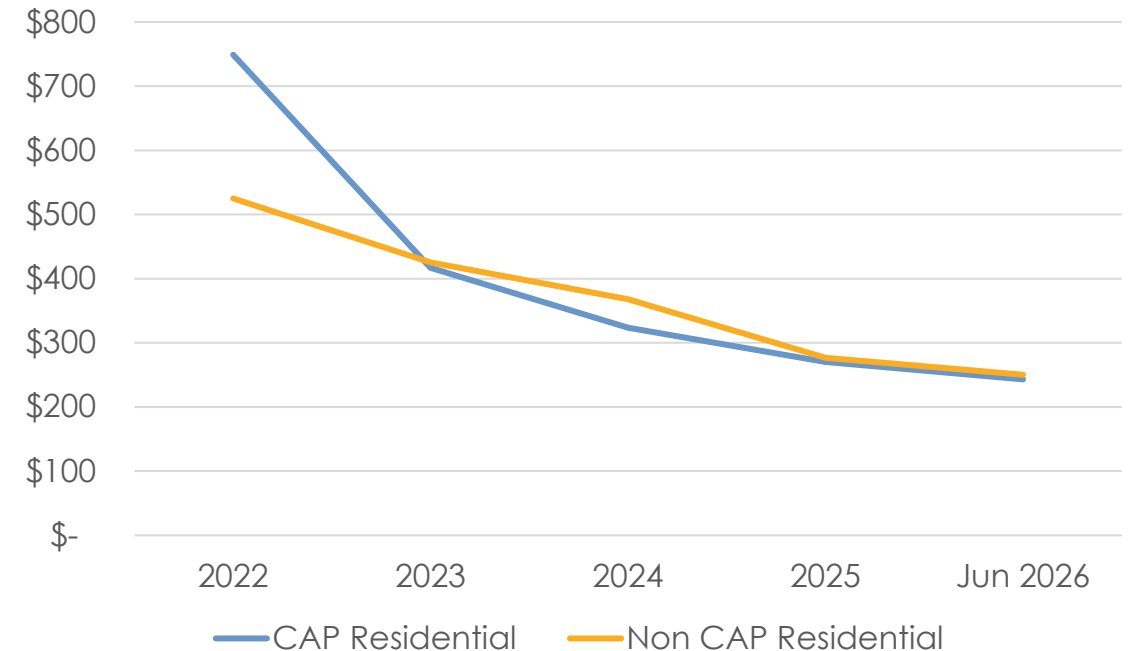
- **21%** participation of total IOU residential customers

Water Bill Arrearages

Customers with Unpaid Bill (Over 79 Days)



Average Debt



- As of June 2026, **6.6%** of CAP customers had unpaid bills

Revised Water Acquisition Framework

D.26-07-031

- Failing, At-Risk, and Potentially At-Risk Systems
 - Aligned definitions and terminology with SWRCB
 - Revised incentives for acquiring such systems
 - Memorandum accounts
- Affirms Commission's valuation authority
 - Acquisition Premium & Water Rights
- Ratepayer Impact Analysis
 - Require estimated monthly bill impact
 - Increase transparency in public noticing & engagement
 - Quantifiable Ratepayer Benefit & Ratepayer Indifference Test

Revised Water Acquisition Framework

D.26-07-031

- Clarifications
 - Reporting requirements and schedule for proceedings & advice letters
 - Acquisitions involving non-IOUs
 - Grant funding process
- Improve coordination with SWRCB
- No adoption of Gain on Sale
 - Application for Rehearing filed by utilities
 - Eliminate ability to apply Gain on Sale in future acquisitions