



COACHELLA VALLEY WATER DISTRICT

Established in 1918 as a public agency

GENERAL MANAGER
Jim Barrett

ASSISTANT GENERAL MANAGER
Robert Cheng

CLERK OF THE BOARD
Sylvia Bermudez

ASSISTANT GENERAL MANAGER
Dan Charlton

May 6, 2024

The Honorable Greg Wallis
California State Assembly
State Capitol
P.O. Box 942849
Sacramento, CA 95814

RE: AB 2172 – SUPPORT

Dear Assemblymember Wallis,

The Coachella Valley Water District (CVWD) serves approximately 300,000 residents in its 1,000 square-miles of service area ranging from the San Geronio Pass to the Salton Sea, mostly within the Coachella Valley area of Riverside County, including small areas within Imperial and San Diego counties. Our services include domestic water, wastewater collection and treatment, agricultural water, regional stormwater protection, recycled water, and groundwater replenishment of imported water.

CVWD writes in support of your bill, Assembly Bill 2172, which would require the State Auditor to conduct an assessment and inventory of electrical generation assets owned by the Imperial Irrigation District (IID).

In 2022, the California State Water Resources Control Board contracted with Riverside and Imperial County LAFCOs to conduct a study that would provide an analysis of options for future governance of IID, which currently serves approximately 159,000 residential, commercial, and industrial customers. Of this, about 61,900 customers, or 39%, reside within IID's current jurisdictional boundary. The remaining customers, approximately 97,100 customers, or 61%, have no voting representation because they reside in the Coachella Valley, outside of IID's legal jurisdictional boundary and their political divisions for IID Board of Director elections.

The analysis of options provided in the study incorporates proportional representation of Riverside County electricity customers being served by IID, and options for future electrical service provision by alternative public agencies should IID desire to terminate the service in Riverside and/or Imperial Counties once the Compromise Agreement between IID and CVWD expires.

The LAFCO study, completed in the fall of 2023, presented several alternative service and governance options for the region to consider. While the study provided key determinations and suggested actions needed to address outstanding questions regarding the existing and continued electrical service to the

Coachella Valley, it lacked a comprehensive cost analysis of each option. Consequently, the Coachella Valley Energy Commission (CVEC) had to engage a separate consultant to conduct the cost analysis. The absence of transparent and forthcoming data specific to the impacts in the Coachella Valley impedes the ability of CVEC member agencies to make informed decisions about their future energy needs and associated costs, as well as the prospective implications for rate payers.

The LAFCO study noted the absence of relevant data in the options section, stating “the parties must acknowledge that little to no information is available from IID on assets and capital improvements exclusive to the Coachella Valley service territory.” A comprehensive assessment and inventory of assets for the Coachella Valley territory was specifically suggested and has not been provided. IID will state that the assessment is in progress, however, this is a result of pressure from the CVEC.

AB 2172 mandates the non-partisan, independent State Auditor to conduct the assessment to ensure stakeholders receive pertinent data for informed decision-making concerning present and future electrical service in the Coachella Valley.

For these reasons, CVWD supports AB 2172.

Sincerely,

A handwritten signature in black ink, appearing to read "J. M. Barrett", written over a light blue wavy line that spans the width of the page.

J. M. Barrett
General Manager
Coachella Valley Water District