



...Dedicated to Community Service

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September 9, 2020

Gloria Gray, Chairwoman
Metropolitan Water District of Southern California
P.O. Box 54153
Los Angeles, CA 90054-0153

RE: Rate relief for all Southern Californians

Dear Chairwoman Gray:

Given the financial challenges created by the recession and the COVID-19 pandemic across Metropolitan Water District's (MWD) service area, I am asking that MWD reduce its costs of water supply and transportation services for 2021. This fall, MWD has an opportunity to help water agencies and ratepayers across Southern California weather this unprecedented storm.

Many water agencies across the region are facing significant financial pressure due to unpaid bills by residents and their own efforts to provide rate relief. They have taken steps such as freezing hiring, delaying or deferring projects, and reducing travel and training.

One approach that would benefit all MWD member agencies would be to reduce MWD's transportation rates (System Access and System Power) by \$15 per acre-foot. This would require a 1.3% reduction in MWD's almost \$2 billion budget, or about \$24 million. It would reduce the planned untreated water rate increase and benefit all MWD member agencies.

I support other ways that MWD can trim costs without materially impacting services while offering rate relief to all Southern California ratepayers.

Thank you for your consideration of this and other steps that can be taken to support residents and businesses during these challenging times.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jose Martinez", with a long, sweeping underline.

Jose Martinez
General Manager