



COACHELLA VALLEY WATER DISTRICT

Established in 1918 as a public agency

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Jim Barrett

ASSISTANT GENERAL MANAGER
Robert Cheng

CLERK OF THE BOARD
Sylvia Bermudez

ASSISTANT GENERAL MANAGER
Dan Charlton

August 8, 2023

VIA EMAIL AT GTHOMPSON@LAFCO.ORG, INFO@LAFCO.ORG & U.S. MAIL

Gary Thompson
Executive Officer
Riverside County Local Agency Formation Commission (LAFCO)
6216 Brockton Avenue, Suite 111-B
Riverside, CA 92506

Dear Mr. Thompson:

Subject: CVWD Comment Letter: March 2023 Draft
Alternative Governance and Electricity Services Study - Imperial Irrigation District

Coachella Valley Water District (CVWD) welcomes the opportunity to provide comments to the Riverside County Local Agency Formation Commission (LAFCO) on the March 2023 Draft Alternative Governance and Electricity Services Study – Imperial Irrigation District (Study).

As you may know, CVWD serves approximately 300,000 residents in its 1,000 square-miles of service area ranging from the San Gorgonio Pass to the Salton Sea, mostly within the Coachella Valley area of Riverside County, including much of the same electrical service area of the eastern Coachella Valley contemplated in the Study.

CVWD appreciates LAFCO's efforts in compiling this Study which provides alternative energy and governance solutions for the eastern Coachella Valley region when the 99-year agreement between the Imperial Irrigation District (IID) and CVWD expires in 2032. IID's eastern Coachella Valley territory accounts for over 60% of IID's rate paying customer base, and CVWD has a direct vested interest in the issue as the largest electrical customer in this territory.

With regret, CVWD is unable to provide meaningful feedback on the Study by the August 30, 2023 deadline without the financial and cost analysis that was stipulated in the Scope of Work and Schedule of the Memorandum of Understanding between the State Water Resources Control Board (SWRCB) and Riverside and Imperial LAFCOs necessary to provide the "overall recommendation for the most cost effective and efficient implementation scenario for each required option" called for in Task 3iii.

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It is CVWD's understanding that this financial information from IID was not available at the time the Study was published for comment, but that on July 27, 2023, IID staff informed the Coachella Valley Energy Commission (CVEC) that the financial information was now available.

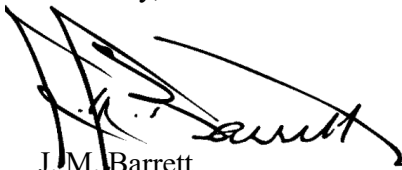
CVWD respectfully requests this financial information be used to expand the depth of the analysis on the options provided, and that overall recommendations for the most cost effective and efficient implementation scenario be included per the study's scope of work. Meaningful and constructive comment cannot be made without substantially deeper analysis and specific recommendations in this Study. This is critical to resolving the issue of determining what is the most prudent way for appropriate local representation and ensuring reliable and affordable electrical service for existing and future customers in the eastern Coachella Valley, including CVWD so it can continue to provide reliable water and wastewater services.

Governor Newsom vetoed AB 1021 (Mayes, 2021), the bill that authorized the Study, and his veto message emphasized the need to "invest the proper resources, time, and stakeholder engagement into studying the complex impacts of the..." termination of the Compromise Agreement in 2032. Although a delay is not desirable, too much time and resources from all involved have been invested in this process; it would be unfortunate to not achieve the Study's core goal due to timing of availability of key data which can now be accessed. A little extra time is a small price to pay to make substantial progress in moving us forward to answering a question so important to many stakeholders with consequences far into the foreseeable future.

Coachella Valley Water District is grateful for the opportunity to provide comments and looks forward to continued collaboration with our partners in the Valley, IID, stakeholders, the Consultants, and Riverside and Imperial LAFCOs.

Please do not hesitate to contact me at (760) 398-2651 or JBarrett@cvwd.org with any questions or concerns.

Sincerely,



J.M. Barrett
General Manager

Gary Thompson
Executive Officer
Riverside County Local Agency Formation Commission (LAFCO)
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cc: Anthony Madrigal, At-Large, Tribal Nations
Blaine Carian, At-Large, Counties
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JB Hamby, Imperial Irrigation District
John Aguilar, Coachella Valley Water District
John Ramont, Cove Communities Services Commission
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