

**Governors Executive Order N-42-20: Prohibition of Water Systems  
from Discontinuing Residential and Small Businesses Water Service  
During the  
Covid-19 Emergency**

Governor Newsome has signed an Executive Order mandating the policies below.

- No water service shut-off during emergency
- Late payment fees will be waived
- Payment plans will be established if requested
- Request assistance through the Water Service Protection Policy

## Matrix of Legislation regarding Moratoriums on Water Service Shutoffs

Proposal	Summary of Key Provisions
<p>Senate Bill 998 (2018)</p> <p>Water Shutoff Protection Act, Health &amp; Safety Code (HSC) §§ 116900, et seq.</p>	<ul style="list-style-type: none"> <li>- SB 998 does not directly apply to Metropolitan because it does not provide direct service to residential customers that is the focus of the bill, discontinuation of residential service</li> <li>- Applies to: (1) “Public water systems” as defined in HSC 116275 as means a system for the provision of water for human consumption through pipes or other constructed conveyances that has 15 or more service connections or regularly serves at least 25 individuals daily at least 60 days out of the year. (2) “Urban and community water systems” means a public water system that supplies water to more than 200 service connections. (3) “Urban water supplier” has the same meaning as defined in Section 10617 of the Water Code: “a supplier, either publicly or privately owned, providing water for municipal purposes either directly or indirectly to more than 3,000 customers or supplying more than 3,000 acre-feet of water annually. An urban water supplier includes a supplier or contractor for water, regardless of the basis of right, which distributes or sells for ultimate resale to customer.”</li> <li>- The foregoing definitions include Metropolitan, however, SB 998 only applies to the discontinuation of “residential service,” defined as “water service to a residential connection that includes single-family residences, multifamily residences, mobile homes, including, but not limited to, mobile homes in mobile home parks, or farmworker housing.”</li> <li>- By February 1, 2020, urban water suppliers not regulated by the CPUC are required to have a written policy on discontinuation of residential water service, provide that policy in multiple languages, and include provisions for not shutting off water for those customers that can demonstrate that losing water service will be life threatening; the customer is below 200 percent of the federal poverty level; or the customer is unable to pay during the water system's normal billing cycle. By April 1, 2020, public water systems with more than 200 connections must comply with the bill’s provisions.</li> <li>- The policy must allow for deferred or reduced payments; payments over time or alternative payments schedules; waiver of interest or delinquent payment charges; sets limits on reconnection fees.</li> <li>- SB 998 also prohibits water systems from shutting off water until a residential customer has been delinquent for 60 days, amongst other notice provisions.</li> <li>- Requires reporting of discontinuations on water system websites.</li> </ul>

Proposal	Summary of Key Provisions
<p>Governor’s Executive Order N-42-20, dated April 2, 2020</p>	<ul style="list-style-type: none"> <li>- By April 1, 2020, the policies are required to be in place and enforceable via an action by the Attorney General at the State Board’s request.</li> <li>- The Order does not directly apply to Metropolitan because it does not provide direct service to residential or critical infrastructure small business customers</li> <li>- Issued per Governor’s broad authority under the California Emergency Services Act to use property, services, and resources of the state to ensure the provision of public necessities during an emergency, the current emergency was declared March 4, 2020 (Gov. Code §§ 8550-8669.7, 8570)</li> <li>- Governor’s emergency authority applies broadly to all local governments and public agencies, and not just to state agencies, cities, and counties, including Metropolitan and its member agencies (Gov. Code § 8557 (defining a “political subdivision”))</li> <li>- Prohibits suspension of residential water service for non-payment and requires reconnection any residential customer who was disconnected between March 4 and the present</li> <li>- “Residential service” is defined in HSC 116902 as “water service to a residential connection that includes single-family residences, multifamily residences, mobile homes, including, but not limited to, mobile homes in mobile home parks, or farmworker housing”</li> <li>- Prohibits discontinued service to any small business in the critical infrastructure sectors designated by the State Public Health Officer as critical to protect the health and well-being of all Californians that qualifies as a small business under 13 C.F.R. § 121.201 of the Small Business Administration’s regulations</li> <li>- Required the State Water Resources Control Board to adopt guidelines for implementation of the order</li> <li>- Nothing in the Order eliminates the obligation of water customers to pay for water service</li> <li>- Nothing in the Order modifies the obligations of urban and community waters systems to comply with provisions of the Water Shutoff Protection Act</li> <li>- Lasts for duration of emergency</li> </ul>
<p>State Water Resources Control Board, Implementation of Executive Order N-42-20: Guidelines and Best</p>	<ul style="list-style-type: none"> <li>- Encourages communication and outreach to inform residential or critical infrastructure small business service customers about moratorium on shutoffs, reconnection options and timelines, and bill payment options.</li> <li>- Restore service immediately and consider waiving reconnection fees</li> <li>- Offer residential, critical infrastructure small business customers, and other non-residential</li> </ul>

Proposal	Summary of Key Provisions
<p>Practices for Water and Wastewater Systems, dated April 30, 2020</p>	<p>customers experiencing severe financial hardship the ability to make partial payments for the duration of the COVID-19 emergency</p> <ul style="list-style-type: none"> <li>- Develop payment plans for delinquent accounts consistent with the requirements of the Water Shutoff Protection Act</li> <li>- Track non-payments and deferred or restructured payments</li> <li>- Use reserve funds as needed to cover revenue losses</li> <li>- Identify and implement methods to expand and augment existing rate assistance programs</li> <li>- Continue monitoring and testing; any water system that anticipates not being able to complete all required monitoring and testing should notify their Division of Drinking Water District Office immediately</li> <li>- Water systems should routinely check with their testing laboratory to assure continued service</li> <li>- Water systems should maintain cross-connection control programs with some modifications</li> <li>- The following reporting and regulatory requirements have been delayed, in order to allow water systems to focus their workforce on service provision:               <ul style="list-style-type: none"> <li>o Electronic Annual Report submission deadlines are extended until July 1, August 1, and September 1 based on the size and type of the water system</li> <li>o Extended PFAS testing order</li> <li>o Lead and copper sampling may be performed towards end of regulatory period</li> </ul> </li> <li>- Water systems that meet drinking water standards should continue to communicate that tap water is safe to drink</li> <li>- Water and wastewater systems should work through their local Emergency Operation Center and CalWARN to share operators, supplies, and equipment where needed</li> </ul>
<p>Public Utility Commission Guidance (March 17, 2020 Press Release)</p>	<ul style="list-style-type: none"> <li>- Metropolitan is not subject to CPUC jurisdiction, but some private mutual water companies within its service area are</li> <li>- Extends utility customer protection measures applied in emergencies related to manmade or natural disasters to COVID-19 emergency declared by the Governor on March 4, 2020</li> <li>- Energy, water, sewer, and communications companies under CPUC jurisdiction should halt customer disconnections for non-payment</li> <li>- Ensures that utility services remain available for California’s most vulnerable populations</li> <li>- Requires utilities and service providers to report to the CPUC on all customer protection measures they implement in response to COVID-19 (as per Governor’s March 16 EO). These</li> </ul>

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	<p>measures are posted on the CPUC website at <a href="http://www.cpuc.ca.gov/covid">www.cpuc.ca.gov/covid</a>.</p>
<p>HR 6552 (2020) Emergency Water is a Human Right Act</p>	<ul style="list-style-type: none"> <li>- HR 6552 seeks to prohibit water shutoffs during the COVID-19 emergency period, provide drinking and wastewater assistance to households.</li> <li>- Requires public water system receiving federal low income assistance funding to have a policy, to the maximum extent practicable, to not disconnect or interrupt services to an individual or household during an emergency period.</li> <li>- “Public Water System” includes Metropolitan and means “a system for the provision to the public of water for human consumption through pipes or other constructed conveyances, if such system has at least fifteen service connections or regularly serves at least twenty-five individuals.” 42 U.S.C. § 300f(4)(A).</li> <li>- It is not clear that Metropolitan receives any federal low income assistance funding or is eligible to do so.</li> <li>- An Emergency period in section 1135(g)(1)(B) of the Social Security Act is defined as an emergency declared by the President or a public health emergency declared by the Secretary.</li> <li>- Does not forgive outstanding debt or any individual obligation to an entity for service</li> <li>- Establishes Low-Income Household Drinking Water and Waste Water Assistance to assist low-income households in a State or Indian Tribe to pay for drinking water and wastewater services. The bill authorizes \$1,500,000,000 to carry out this provision.</li> <li>- Defines Low-income households as households within 150 percent of the Federal poverty level or households that have not received assistance under the Low-Income Home Energy Assistance Act of 1981.</li> <li>- Limits the income history documentation requirements and only requires proof of severe income loss dated after February 29, 2020, such as layoff or furlough notice or verification of unemployment benefits to qualify for assistance under the provisions of this bill</li> <li>- Requires Public Water System applying for grants to enter into an agreement to assist in identifying low-income households and to carry out this section</li> <li>- Requires the Secretary to notify Congress not later than 15 days after allotment of such amounts to State or Tribe.</li> <li>- Requires Federal Agency Coordination</li> <li>- Requires State and Indian Tribe receiving a grant to undertake periodic audits and evaluations of expenditures</li> </ul>

MAY 5, 2020

Proposal	Summary of Key Provisions
	<ul style="list-style-type: none"><li>- Requires the Secretary to submit a report on the results of activities to Congress no later than one year after the date of enactment of the bill</li></ul>
AB 2095 (Cooper): Public water systems: reduction of water charges: customers impacted by COVID-19, as amended May 4, 2020	<ul style="list-style-type: none"><li>- Authorizes a public water system to reduce the water charges imposed on a customer impacted by COVID-19 during the duration of the impact provided that the reduction does not increase the water charges imposed on another ratepayer</li></ul>