A photograph of a wooden roof structure under construction, showing the intricate framework of beams and trusses against a clear blue sky.

## **ITEM 18-B. CONSIDER ADOPTION OF RESOLUTION 2011-07, SUSPENDING RECEIPT OF LAWN REMOVAL REBATE APPLICATIONS**

Presented by:


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# Summary

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- Resolution 2011-07 suspends the receipt of applications for Lawn removal Rebates.
  - Continued acceptance of Lawn removal Rebate applications under the current rules (i.e. pre-Ordinance No. 148) is not recommended due to the lack of clarity in the existing policy and the limited availability of funding.
  - Funding for Rebates in the California American Water service area is almost depleted and is expected to be exhausted by May 2011 without further action.



# Summary

- Suspension of receipt of Lawn removal Rebate applications is prudent given recent information from the Division of Ratepayer Advocates (DRA) of the California Public Utilities Commission (CPUC) that future Rebate funding cannot be used retroactively to fund 2011 retrofits.
- There is also no certainty that funding will be approved in the 2012-2014 General Rate Case being considered by the CPUC.
- The Water Demand Committee recommended against suspending Lawn Rebate applications at its March 9 meeting before this information was received.

# Summary

- Lawn removal Rebates are the greatest expenditure of Rebate funds and have the longest and most complex approval process.
- Lawn removal Rebates are not funded until the application is complete and deed restrictions are recorded.
- While each Lawn removal Rebate application can take up to 120 days to complete, the District receives approximately ten Rebate applications each day.
- Continuing the Lawn Rebate program will deplete funding much faster than other Rebates due to their size (approximately \$2,500 each).
- Most other Rebates are in the \$100-\$300 range.



# Recommendation

- Adopt Resolution 2011-07 to suspend receipt of Lawn Rebate applications.
- Suspending Lawn Rebate applications will allow the Rebate Program to continue longer before funding is expended.
- Allowing smaller Rebates to continue is desirable to extend the current Rebate Program momentum for the longest period of time.
- Future funding for Rebates from the CPUC will not be available until at least January 2012.

# For More Information

Staff reports, ordinances and presentation materials can be found on the District's website at:

[www.mpwmd.dst.ca.us](http://www.mpwmd.dst.ca.us)

PowerPoint presentations will be posted on the website the day after the meeting