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Ranchos to end drought surcharge

APPLE VALLEY — The drought surcharge that served as a thorn in the side of approximately 25 percent of Apple Valley Ranchos ratepayers will come to an end Sunday, Ranchos officials announced Tuesday at the Town Council's regular meeting.

The anticipated removal of the drought surcharge is part of Ranchos' larger decision to revert to Stage One of its Water Shortage Contingency Plan that also will remove the bi-monthly allotment of 32 units (approximately 24,000 gallons) that resulted in the drought surcharge for customers who exceeded that amount.

Ranchos Executive Vice President Leigh Jordan said the expectation is that ratepayers will continue to conserve water as they have done since Gov. Jerry Brown issued his April 1 Executive Order mandating a statewide 25 percent reduction in water usage.

Ranchos needs to achieve reductions from 2013 over the remaining fall and winter months of about 18 percent to meet the cumulative target, according to a statement.

"We will have to go back to Stage Two and reimplement the drought surcharges if it looks like we're not going to make it," Jordan said during the meeting. "So we ask everyone to continue to conserve so that we won't have to do that."

Apple Valley Mayor Pro Tem Barb Stanton told the Daily Press she questions Ranchos' decision making, which she said seems to change on a consistent basis.

"I'm skeptical," Stanton said. "I'm questioning if that will really happen. It seems to me that every two weeks or so things change. Their answers change. At the same time I'm very hopeful that they will drop the surcharge and not hold us to the 18-unit allotment (in November)."

Ranchos Manager of Financial Services Eric Larsen confirmed that reverting to Stage One will remove the allotment to which ratepayers are currently held; however, Larsen added that the drought surcharge could still show up on bills with higher usage for some time.

The conservation target for Ranchos customers — based on Brown's mandate — is 28 percent, a number they've exceeded every month since May, according to the California State Water Resources Control Board's conservation statistics.

"Since we instituted the drought surcharges this summer we have been carefully monitoring the progress on conservation necessary to meet the state-imposed 28 percent cumulative target," Jordan said in a statement. "Many factors contributed to this decision, but most of all our customers are to be commended for making changes in their lifestyle and doing their part to conserve."

Another factor was that the California Public Utilities Commission is proposing to take Ranchos' conservation target into account when setting the company's water rates, which means the proposed new rates will encourage continued conservation, Jordan said.

Town officials said they're glad the citizens' successful conservation efforts are being recognized — at least temporarily — but added that the move is not likely to bring any relief to ratepayers since the 28 percent rate increase just approved by the CPUC in a proposed decision will just replace the drought surcharge.

The CPUC proposed to approve a 28.7 percent rate increase on Oct. 16 after a final settlement agreement was reached by Ranchos and the Office of Ratepayer Advocates, according to documents related to the rate-setting case. The new rates could take effect as early as late November, depending on when the CPUC votes; the earliest the CPUC will vote is Nov. 19, according to officials.

Despite Ranchos previously stating 75 percent of its customers have not incurred the drought surcharge, some residents with particularly high water bills made it the topic of conversation at several of the past Town Council meetings and were vocal in their opposition on social media, as well.

Ranchos General Manager Tony Penna told the Daily Press he thinks social media posts allowed for a minority to sound like a majority.

Still, the drought surcharge has become a cause for concern even for residents who aren't seeing it on their bills. Apple Valley resident Luke Torres told the Daily Press he hasn't incurred the drought surcharge because he's aware of it and wants nothing to do with it.

"We've been conserving like crazy to avoid it," Torres said. "I'll still conserve because it's the right thing to do, but now we don't have to walk on eggshells."

In addition to a majority of Ranchos customers not incurring the drought surcharge, some 1,946 other customers took advantage of a variance program that either raised their allotment based on necessity or removed it altogether, according to Penna.

"We recognized that some people had medical reasons for needing more water," Penna said. "We also looked at larger families, and we looked at gardens (and) livestock to determine how much more water certain customers might need depending on their situation."

Gary Cox is one such ratepayer who took advantage of Ranchos' variance program.

Previously outspoken against Ranchos after receiving a \$178 drought surcharge on one of his water bills, Cox changed his tune when his last water bill was

reduced by about \$300 due to Ranchos' variance program.

"I sent in an appeal because I have 27 trees," Cox said. "I have geese and chickens. I feed myself and my neighbors with my vegetable garden. That's putting water to good use. (Ranchos) doubled my allocation. They are really willing to work with you and I think that's tremendous."

Cox lives on a little over an acre of land that he said resembles a forest, and his argument early on was that residents who don't have lawns or trees to water are allotted the same amount as residents who live on larger properties with mature vegetation.

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