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Water rate hike disputed by customers

3,300 in Los Osos and Edna Valley may see bills increase by nearly 50 percent in 2013

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David Sneed The Tribune

More than 100 people from as far away as Ojai packed the South Bay Community Center in Los Osos on Friday afternoon to protest hefty rate increases proposed by Golden State Water Co.

The private water company has customers throughout the state and county, including in Los Osos, Edna Valley and Nipomo. It is proposing various rate increases depending on location, with some of the biggest for 3,300 customers in Los Osos and Edna Valley where rates would go up 48.9 percent for a typical home in 2013.

The state Public Utilities Commission held the meeting to get customer feedback. It must approve any rate increase and expects to make a decision a year from now, said Administrative Law Judge Richard Smith, who is hearing the case.

James Murphy of Los Osos said the proposed increase would cause his water bill to double. He attributed the increase to “gross mismanagement” within the company. Many echoed this sentiment, calling the increases egregious and unaffordable.

County Supervisor Bruce Gibson said the company has not yet given sufficient justification for the rate hikes. He also asked that Los Osos and Edna Valley, which are lumped into one billing area, be separated.

The company said the rate increases are necessary to pay for infrastructure improvements — including \$5 million in Los Osos — as well as increases in taxes and maintenance costs. Ironically, the company also says it must increase rates to make up for lost revenue because of water conservation by its customers.

Many speakers said the rate hikes will be a double-whammy for Los Osos, where an expensive new sewer system will be installed starting next year. Monthly costs to pay for the sewer are estimated to be \$160.

Several speakers said they expect that these combined costs could force out about a third of the community’s residents, mostly retirees on fixed incomes.

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