

Misframing and mislabeling

A letter writer who disagrees with Diana Carloni's excellent Valley Voices piece ("Flint water crisis offers warning for Apple Valley," Daily Press, Jan. 31) tries to misframe the discussion by mislabeling Liberty Utilities — Apple Valley (LUAV) as a monopoly ("CPUC vs. Flint," Daily Press, Feb. 7).

In the case of water utilities, the investments in infrastructure needed to provide the service (and the blight that would come from having multiple competing services) make an argument for authorized service areas, which is not the same as a monopoly. LUAV's authorized Service Area is granted and regulated by the California Public Utilities Commission (CPUC). LUAV's official Service Area Map is part of LUAV's CPUC-approved tariffs and any desired additions to LUAV's Service Area first must be approved by the CPUC.

Additionally, LUAV has a Franchise Agreement with the town of Apple Valley, which allows LUAV — in exchange for several hundred thousand dollars per year in franchise fees paid annually to the town — to place water facilities (water pipes, etc.) in public rights of way within town boundaries.

The letter writer says it would be great if there were multiple companies competing for our water service. Who says there aren't? Just because Liberty Utilities "won" the competition by prevailing in its offer to purchase Apple Valley Ranchos Water Company from The Carlyle Group, doesn't mean there weren't other offers. Even the Town of Apple Valley could have put in an offer, but it failed to do so, preferring to resort to force.

In fact, the town has had decades' worth of opportunities to buy Ranchos before Liberty Utilities did. The town never acted. Why? Because until recently the system needed repairs and upgrades. Now that the system is in great shape (thanks to The Carlyle Group), suddenly the town wants to seize the water company, sticking us with the bond debt while it skims money off the top to paper over previous financial indiscretions. Do you really think — given the town's miserable track record with money and transparency — that somehow the town is now going to become responsible and responsive? Have you checked your trash and sewer bill lately?

There's only one monopoly in town, and it is our town government.

— *Greg Raven, Apple Valley*

Letter to the Editor published in the Feb. 15, 2016 issue of *The Daily Press*