OFFICE OF THE GOVERNOR

OCT 05 2021

To the Members of the California State Assembly:

I am returning Assembly Bill 1021 without my signature.

This bill would require the Imperial and Riverside County local agency formation commissions to conduct and publish a study by no later than July 1, 2022 of options for providing electrical service to the Imperial Irrigation District's electrical service area and alternative governance structures that would extend voting rights to voters who reside within the electrical service area to provide for proportional representation on the governing board.

The 2021 Budget Act included $500,000 from the General Fund to finance such a study. Imperial Irrigation District's electric service in the Coachella Valley is part of a 99-year lease that will reach its full term in 2033. It is valuable to invest the proper resources, time, and stakeholder engagement into studying the complex impacts of the Imperial Irrigation District's impending electrical service agreement expiration. This study should include any options to ensure that the local communities currently served may continue to receive energy service, as well as opportunities to give energy customers a voice.

For these reasons, I am concerned with the short timeline set forth in the bill to complete the study. However, I do expect that the study funded in this year's Budget Act will be completed in a timely manner to inform continued discussions.

Sincerely,

Gavin Newsom