Representative Policy Board
Consumer Affairs Committee
South Central Connecticut Regional Water District
Via Remote Access**

AGENDA

Regular Meeting of Monday, June 21, 2021 at 5:30 pm

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1. Safety Moment
2. Approval of Minutes – May 19, 2021 meeting
3. Alliance for Water Efficiency and Conservation: M. Dickenson
4. Consumer Affairs Committee report of OCA – J. Donofrio
5. Approval of OCA invoice for May 2021 for $1,165.00
6. Notification of Committee Chair Election - July 2021
7. Volunteers to attend Authority meetings on August 20 and September 17
    a. June 17, 2021 Authority meeting – M. Levine
    b. July 15, 2021 Authority meeting – N. Campbell
8. Next meeting of Consumer Affairs Committee – July 19, 2021 at 5:30 p.m.
9. Adjourn

**In accordance with the Governor Lamont's, Executive Order No. 7B for the Protection of Public Health and Safety during COVID-19 Pandemic and Response, the public meeting will be held remotely. Members of the public may attend the meeting via conference call, videoconference or other technology. For information on attending the meeting via remote access, and to view meeting documents, please visit https://www.rwater.com/about-us/our-boards/board-meetings-minutes?year=2021&category=1435&meettype=&page=. For questions, contact the board office at 203-401-2515.

Topic: RPB CAC Meeting

Time: Jun 21, 2021 05:30 PM Eastern Time (US and Canada)

Join Zoom Meeting *(via conference call)*

Dial by your location

+1 312 626 6799 US (Chicago)

+1 646 876 9923 US (New York)

+1 301 715 8592 US (Washington DC)

+1 253 215 8782 US (Tacoma)

+1 346 248 7799 US (Houston)

+1 408 638 0968 US (San Jose)

+1 669 900 6833 US (San Jose)

Meeting ID: 850 4285 3360

Passcode: 494792

Find your local number: https://us02web.zoom.us/u/kdYM0ia4dq

SAFETY MOMENT

Tap Into Safety

Regional Water Authority

NATIONAL TRAILS DAY

June 5, 2021 was named the American Hiking Society's National Trails Day. It is dedicated to a day of service and advocacy for hometown trails.

Millions of people have found physical, mental, and emotional restoration on trails during the pandemic. Let's return the favor and care for America's magnificent trails systems and ensure everyone is the U.S. can enjoy trails and natural areas, not only on June 5th but throughout the year.

Actions that make a difference:

- Commit to trail service this year
- Speak up – Tell your Member of Congress to Co-Sponsor the Transit to Trails Act (H.R. 2924/S1461)
- Leave a trail better than you found it
- Give a gift
- Recreate responsibly

Service – Teamwork – Accountability – Respect – Safety

Regional Water Authority

UNAPPROVED DRAFT

Representative Policy Board
South Central Connecticut Regional Water District
Consumer Affairs Committee

Minutes of the May 17, 2021 Meeting

A meeting of the Consumer Affairs Committee ("CAC") of the Representative Policy Board of the South Central Connecticut Regional Water District ("RPB") took place on Monday, May 17, 2021, via remote access. Committee members present were: N. Campbell, M. Levine, S. Mongillo, F. Pepe, T. Rescigno, and R. Smith.

RWA members present were: D. Bochan, L. Gonzalez, and P. Singh.

S. Sack attended from the Authority, and Jeff Donofrio, Esq., from the Office of Consumer Affairs ("OCA").

RPB staff present: J. Slubowski.

Chairman Stephen Mongillo of the CAC, called the meeting to order at 5:30 p.m. He reviewed the Safety Moment distributed to members.

On motion made by Mr. Rescigno, seconded by Mr. Pepe, and unanimously carried, the committee voted to approve the minutes of its April 19, 2021 meeting, with Mr. Smith abstaining.

Mr. Singh, the RWA's Chief Information Digital Officer and Vice President of Customer Care, Ms. Bochan, the RWA's Business Transformation Director, and Ms. Gonzalez, the RWA's Director of Service, provided a Customer Care Realignment Transformation Update, which included:

- Customer care vision & experience strategy
- RWA Current landscape and impacts on service
- Customer Journey & Roadmap
- Customer Care Roadmap – Key Activities & Milestones
- Opportunities for RWA /Customers & Potential for Self-Service Mobile Application

At 6:15 p.m., Mr. Rescigno withdrew from the meeting and Mr. Levine entered the meeting.

Discussion took place regarding purpose, goals and measures, baselines, personnel, reduced costs, implementation and resources, vulnerability, cost savings, and cost avoidance.

At 6:48 p.m., Mss. Bochan and Gonzalez withdrew from the meeting.

Atty. Donofrio reported on one consumer matter regarding a rental property in West Haven, owned by a Milford resident. He stated that the matter has been resolved to the customer's and RWA's satisfaction.

He also commented on his FY 2022 budget letter distributed to RPB members, which was discussed at the Finance Committee meeting earlier in the month.

Atty. Donofrio commented on the customer realignment presentation earlier and thought the discussion concerning the customer experience vs. cost was thorough.

UNAPPROVED DRAFT

On motion made by Mr. Pepe, seconded by Ms. Campbell, and unanimously carried, the Committee approved the OCA's April 2021 billing ($3,305.00).

CAC member attendance at the June and July Authority meetings were made. Assignments for August and September will be discussed at the committee's next meeting.

The Committee's next meeting is scheduled for Monday, June 21, 2021 at 5:30 p.m.

At 7:00 p.m., on motion made by Mr. Pepe, seconded by Mr. Smith, and unanimously carried, the meeting adjourned.

_____
Stephen Mongillo, Chairman

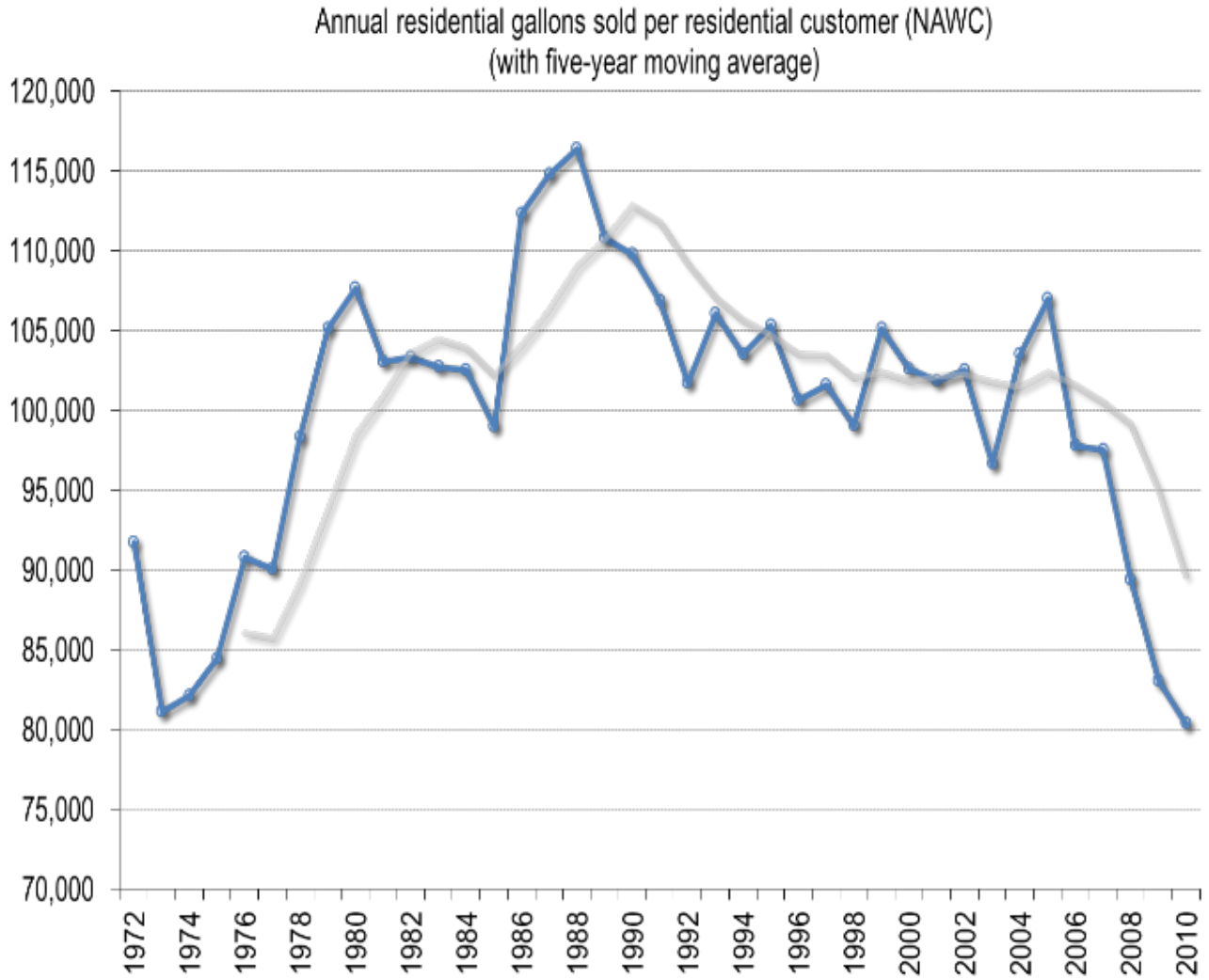
Financing Sustainable Water

FINANCING SUSTAINABLE WATER
Rates. Revenue. Resources.

Alliance for Water Efficiency

Utility Financial Management: Becoming Harder Than Ever?

Residential Water Sales



Isn’t this a Success Story?

- *Yes, but with side effects*
- Lowered demand means reduced sales revenue
- Reduced sales revenue can mean not fully collecting fixed costs
  - Short-run variable costs (water, pumping energy, chemicals)
  - Long-run capacity costs (supply, transmission, storage, treatment)
- Revenue stability therefore becomes an issue – *and conservation is often blamed*
- Left untreated, long-term unstable revenue collection can affect bond ratings

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U.S. | THE TEXAS TRIBUNE

Texans Answer Call to Save Water, Only to Face Higher Rates

By NEENA SATIJA FEB. 8, 2014

"The losses have prompted credit ratings agencies to look closer at the finances of public utilities in Texas. One agency, Fitch, downgraded some of Fort Worth's water and sewer debt last year, and last week the firm downgraded the debt of the city's wholesale water supplier. Fort Worth lost $11 million last year because of water conservation."

What Really Affects Revenue Stability?

- Reduced demand from:
  - efficient fixture replacement under the plumbing and appliance codes
  - active conservation programs
  - the recession: industrial shift layoffs, home foreclosures
- Reduced peak demand in wet years
- Increased infrastructure costs
- Rise in other fixed costs
- Continuing Inflation

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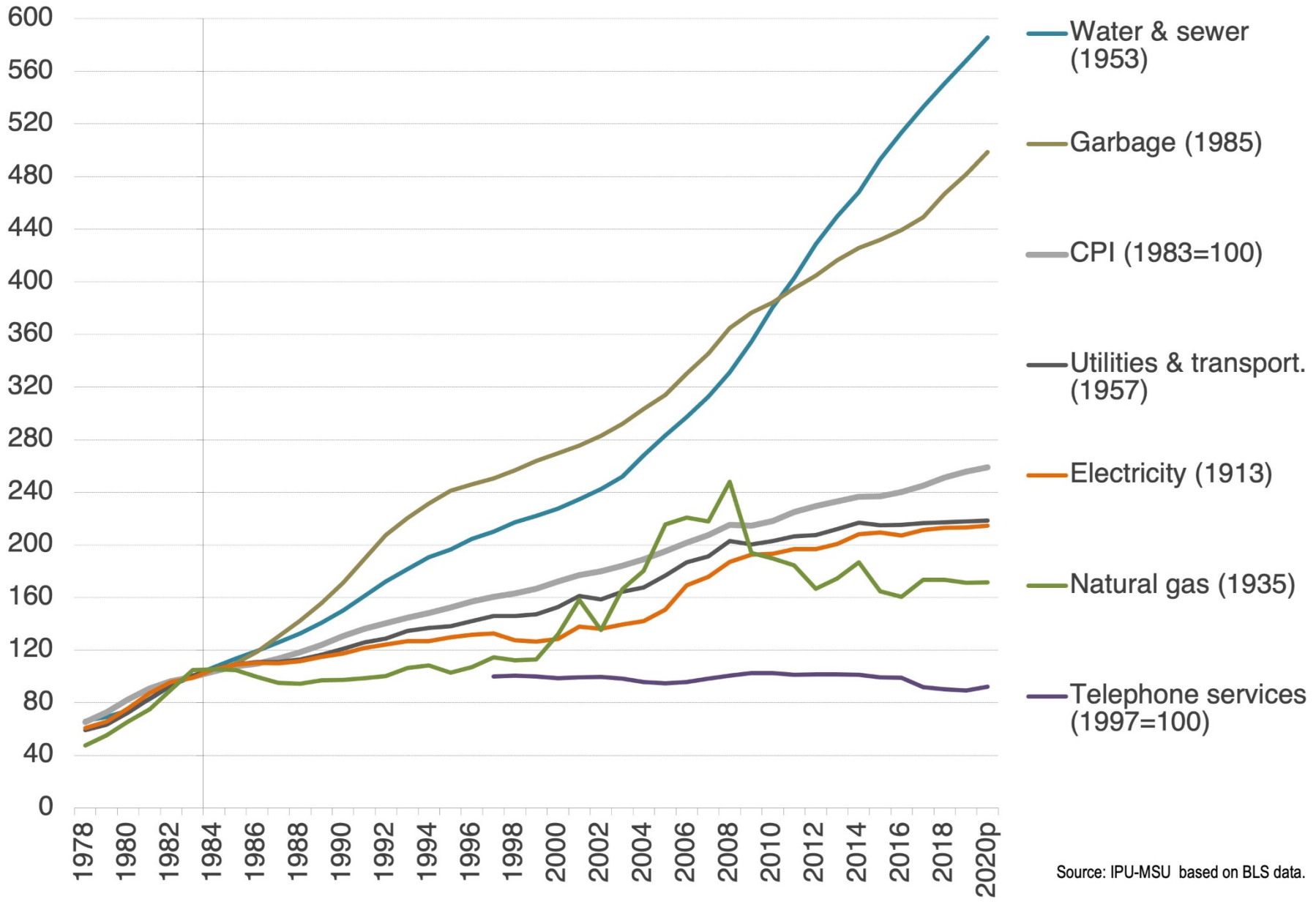
Trends in the CPI for public utilities (BLS)



Source: IPU-MSU based on BLS data.

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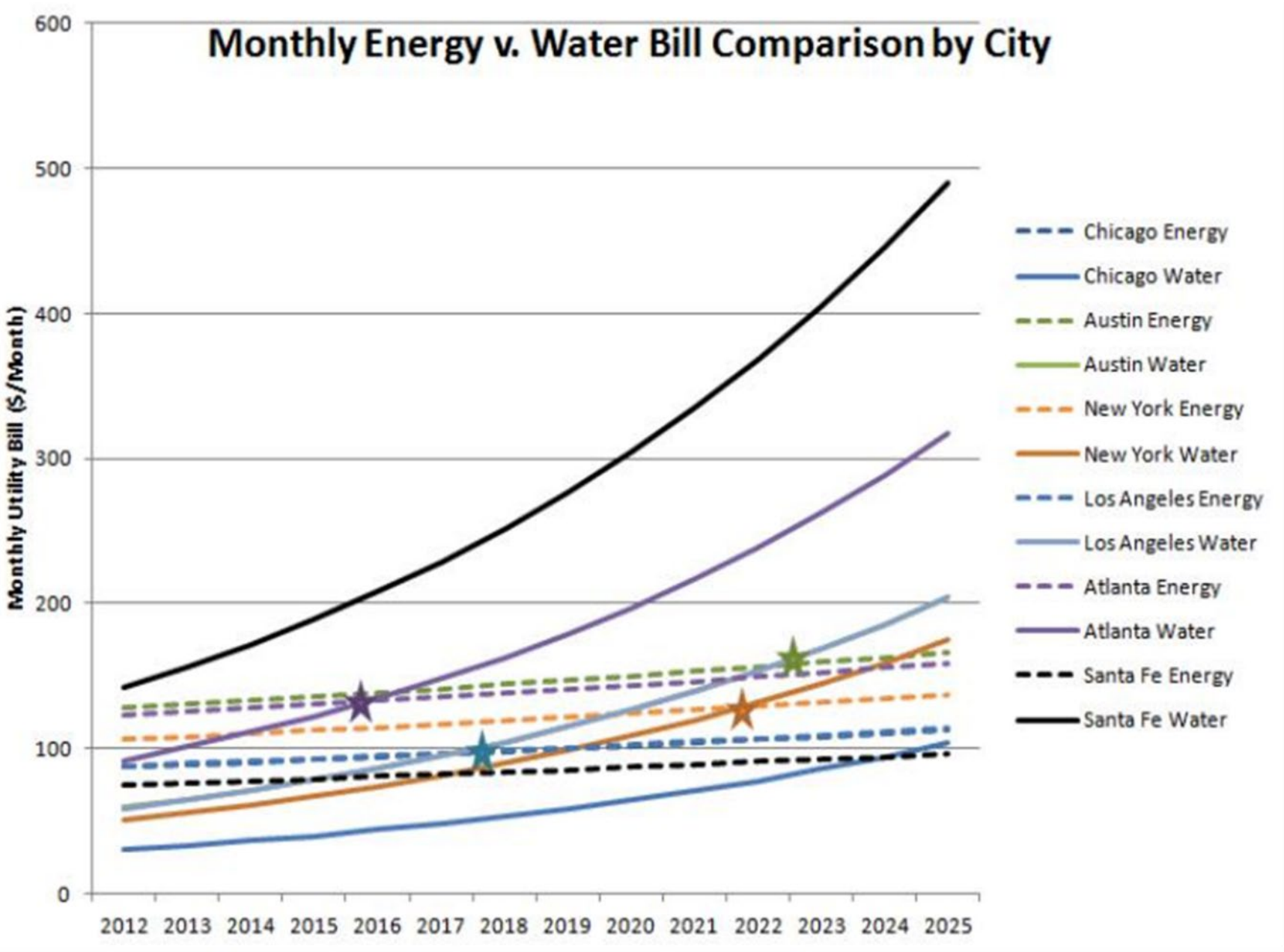
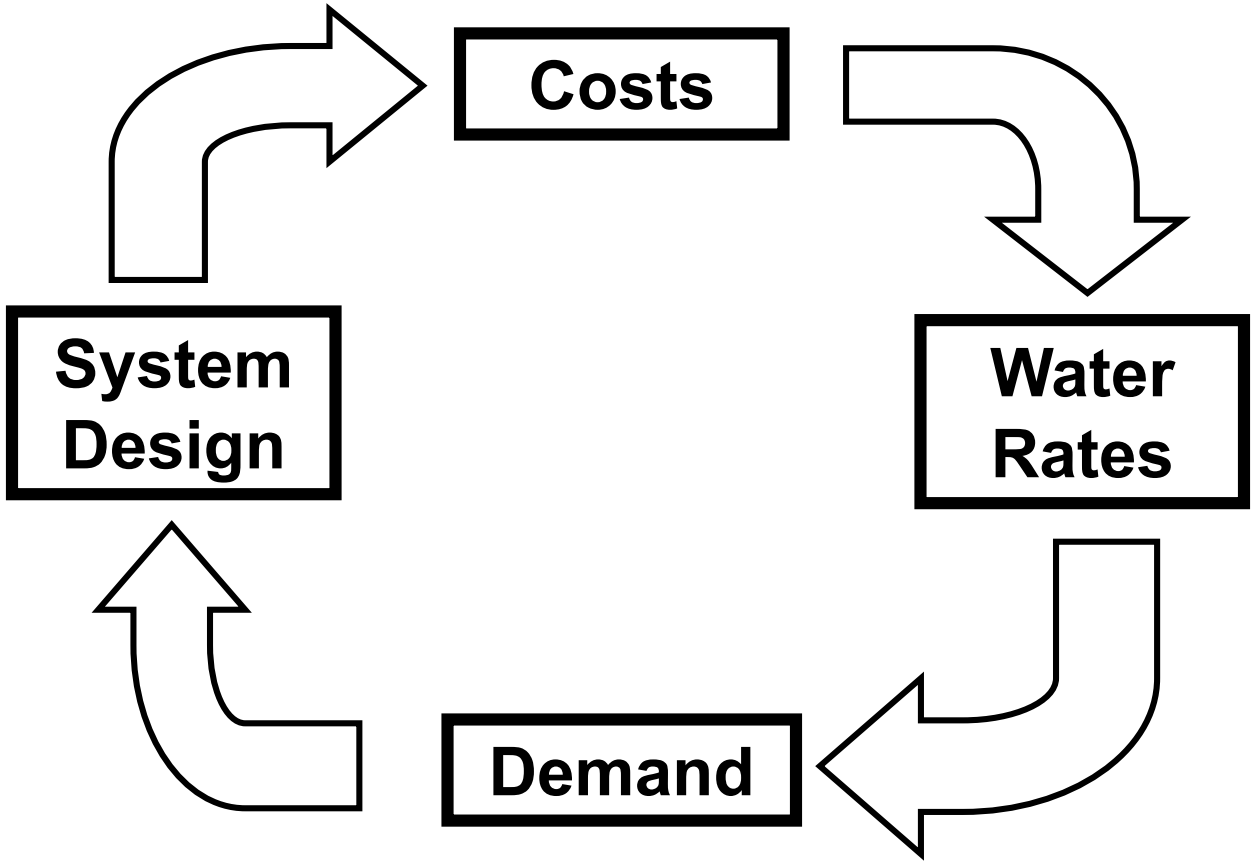

Monthly Energy v. Water Bill Comparison by City
Monthly Utility Bill ($/Month)
600
500
400
300
200
100
0
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
Chicago Energy
Chicago Water
Austin Energy
Austin Water
New York Energy
New York Water
Los Angeles Energy
Los Angeles Water
Atlanta Energy
Atlanta Water
Santa Fe Energy
Santa Fe Water

Cost-Effective Efficiency and the Real Impact on Rates

Water Flow and Flow of Economic Logic



Conservation is Part of the Solution

- It is a long-term cost reducer to the utility
- Revenue loss is often due to other drivers
- Every gallon saved is water that does not have to be pumped, treated and delivered
- Conservation is an investment and short-term effects must be planned for
- Reduced utility costs generally mean reduced customer rates in the long-term due to avoided infrastructure capacity increases

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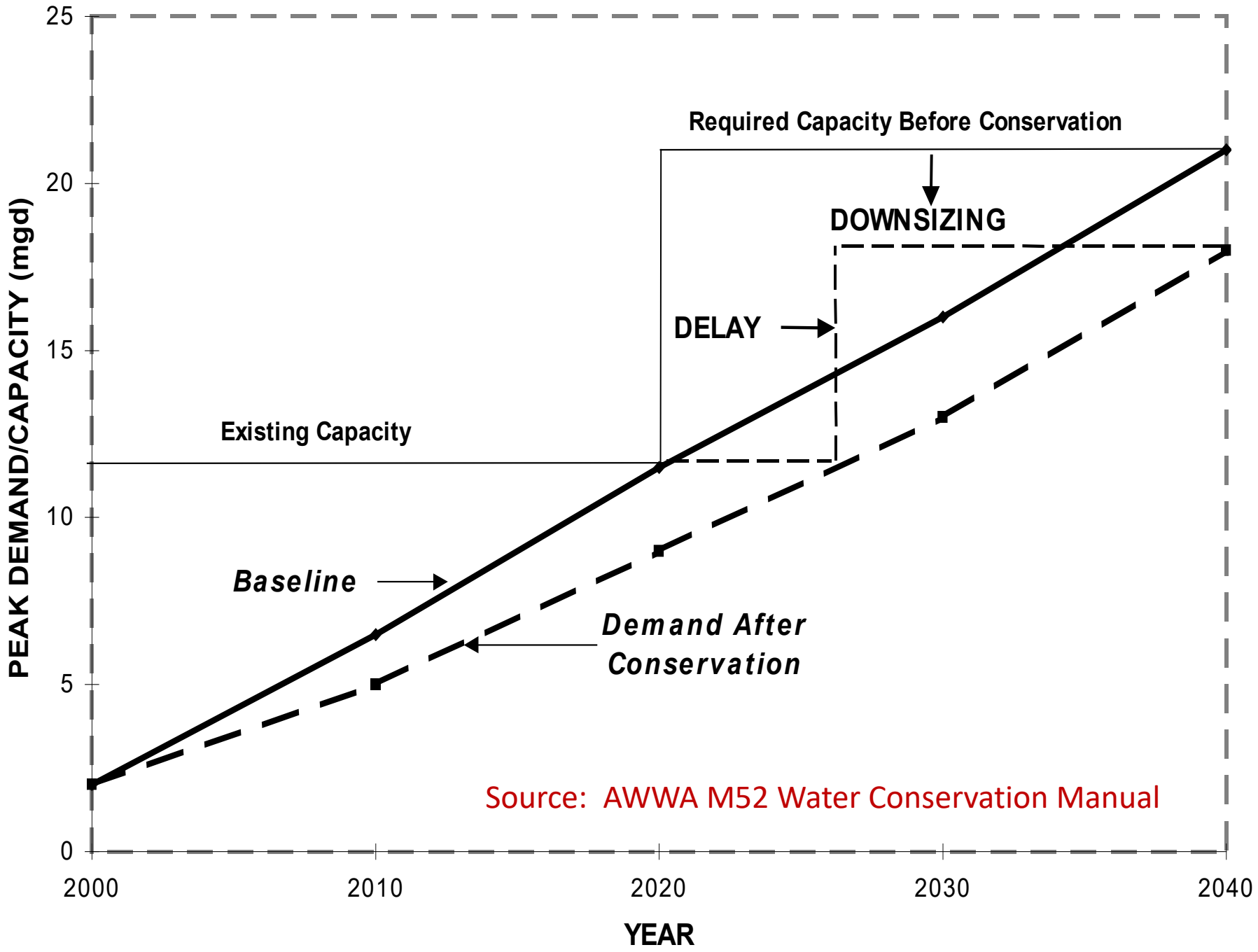
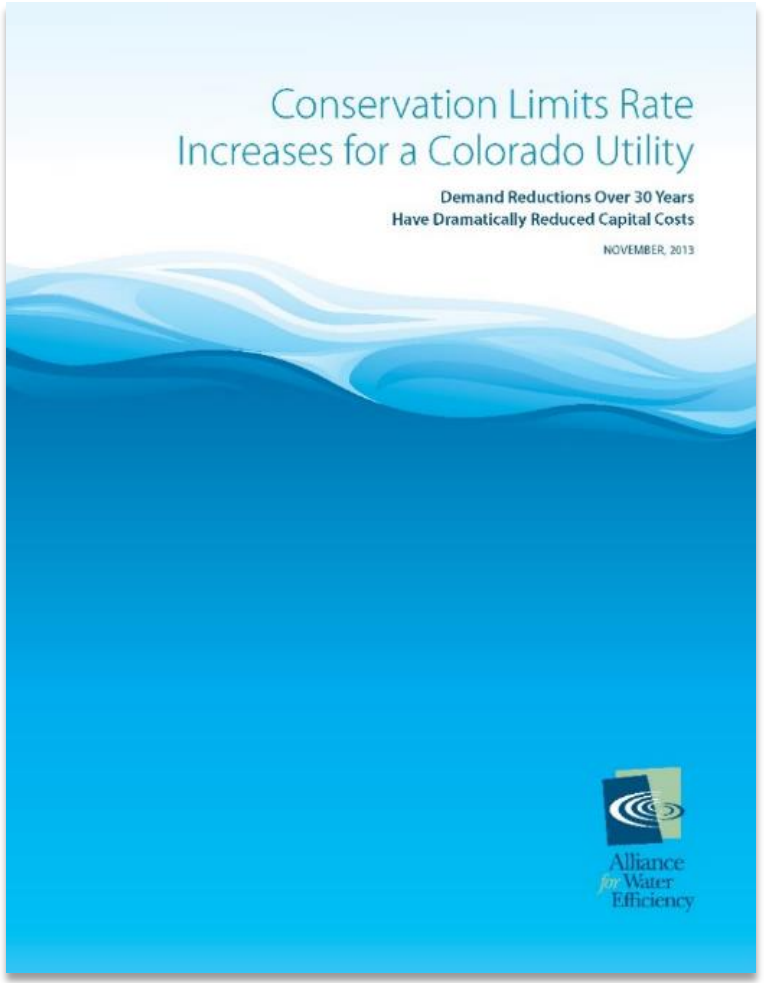


Source: AWWA M52 Water Conservation Manual

Westminster's Story

- Citizens complained about being asked to conserve when rates would just go up anyway
- Westminster reviewed marginal costs for future infrastructure if conservation had not been done
- Since 1980 conservation has saved residents and businesses 80% in connection fees and 91% in rates compared to what they would have been without conservation



What is RWA's Story?

- Every utility is different, with different drivers!
- Consider the key questions to determine the case for efficiency
- Where do costs come from and what are your future cost risks?
  - Wholesale water costs may be increasing
  - Costs of capital improvements
  - Short run variable costs (treatment, energy, etc.)
- What's your return on the investment in efficiency?
- How do you quantify it?
- AWE Tracking Tool provides forward-looking analysis

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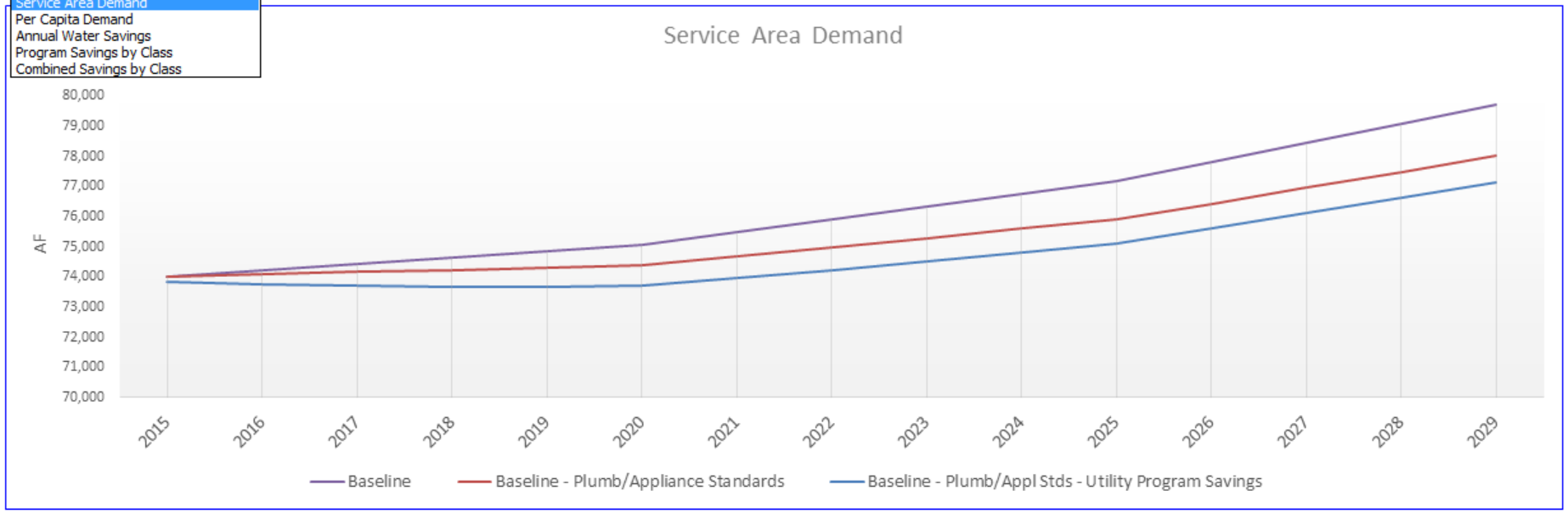
AWE CONSERVATION TRACKING TOOL: WATER SAVINGS SUMMARY WORKSHEET

Select Chart to View

Service Area Demand

- Service Area Demand
- Per Capita Demand
- Annual Water Savings
- Program Savings by Class
- Combined Savings by Class

No. of Years to Display: 15



Service Area Demand	Units	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Baseline	AF	74,018	74,230	74,441	74,653	74,864	75,076	75,499	75,922	76,344	76,767	77,190	77,825	78,459	79,094	79,728	80,363	80,997
Baseline - Plumb/Appliance Standards	AF	74,018	74,086	74,161	74,234	74,313	74,397	74,691	74,989	75,292	75,600	75,914	76,434	76,958	77,487	78,019	78,555	79,095
Baseline - Plumb/Appl Stds - Utility Program Savings	AF	73,834	73,770	73,724	73,686	73,662	73,700	73,964	74,235	74,515	74,801	75,099	75,605	76,117	76,632	77,152	77,677	78,385

Per Capita Demand	Units	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Population	People	350,000	351,000	352,000	353,000	354,000	355,000	357,000	359,000	361,000	363,000	365,000	368,000	371,000	374,000	377,000	380,000	383,000
Baseline	GPCD	189	189	189	189	189	189	189	189	189	189	189	189	189	189	189	189	189
Baseline - Plumb/Appliance Standards	GPCD	189	188	188	188	187	187	187	186	186	186	186	185	185	185	185	185	184
Baseline - Plumb/Appl Stds - Utility Program Savings	GPCD	188	188	187	186	186	185	185	185	184	184	184	183	183	183	183	182	183

Water Savings	Units	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Plumb/Appliance Standards	AF	0	143	280	419	552	678	808	933	1,052	1,167	1,277	1,391	1,501	1,607	1,709	1,807	1,902
Utility Programs	AF	184	316	437	548	651	697	726	754	777	800	814	828	842	855	867	878	710
Total Water Savings	**AF**	**184**	**460**	**717**	**967**	**1,202**	**1,375**	**1,534**	**1,687**	**1,830**	**1,967**	**2,091**	**2,219**	**2,343**	**2,462**	**2,576**	**2,686**	**2,613**
% of Baseline Demands	**%**	**0.2%**	**0.6%**	**1.0%**	**1.3%**	**1.6%**	**1.8%**	**2.0%**	**2.2%**	**2.4%**	**2.6%**	**2.7%**	**2.9%**	**3.0%**	**3.1%**	**3.2%**	**3.3%**	**3.2%**

Water Savings Breakdown

Nat'l Plumbing/Appliance Standards	Units	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Single Family	AF	0	103	202	303	399	491	585	675	762	845	924	1,006	1,085	1,160	1,233	1,304	1,371
Multi Family	AF	0	24	48	71	93	115	137	158	178	198	216	236	254	272	290	307	323
CII	AF	0	16	30	45	59	72	86	99	112	125	137	150	162	174	186	197	208
Irrigation	AF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

AWE CONSERVATION TRACKING TOOL: UTILITY REVENUES & RATES WORKSHEET

Review revenue requirement and rate impacts: This worksheet calculates the impact of planned conservation on annual revenue requirement, average rates, and average bills. It assumes the volumetric revenues generated by the baseline demand and rates forecasts correspond to the utility's volumetric revenue requirement. It then adjusts forecasted annual water sales and revenue requirement using the water savings, conservation program cost, and utility avoided cost estimates calculated earlier. The adjusted revenue requirement equals the baseline revenue requirement plus annual conservation program cost minus annual avoided water supply cost. The adjusted average volumetric rate equals adjusted revenue requirement divided by adjusted annual water sales. The adjusted average monthly volumetric bill equals adjusted revenue requirement divided by number of accounts divided by 12. Calculations are done for two alternative financing strategies for planned conservation. The first strategy treats planned conservation as an operating expense. The model assumes planned conservation is paid for in the year it occurs (Pay-Go financed). The second strategy treats planned conservation as a capital expense. The model assumes planned conservation is debt financed. You can set the debt financing term using the drop-down list.

Select Chart to View

Change in Rev. Req.

- Revenue Requirement
- Avg. Water Rate
- Avg. Water Bill
- Change in Rev. Req.
- Change in Water Rate
- Change in Water Bill

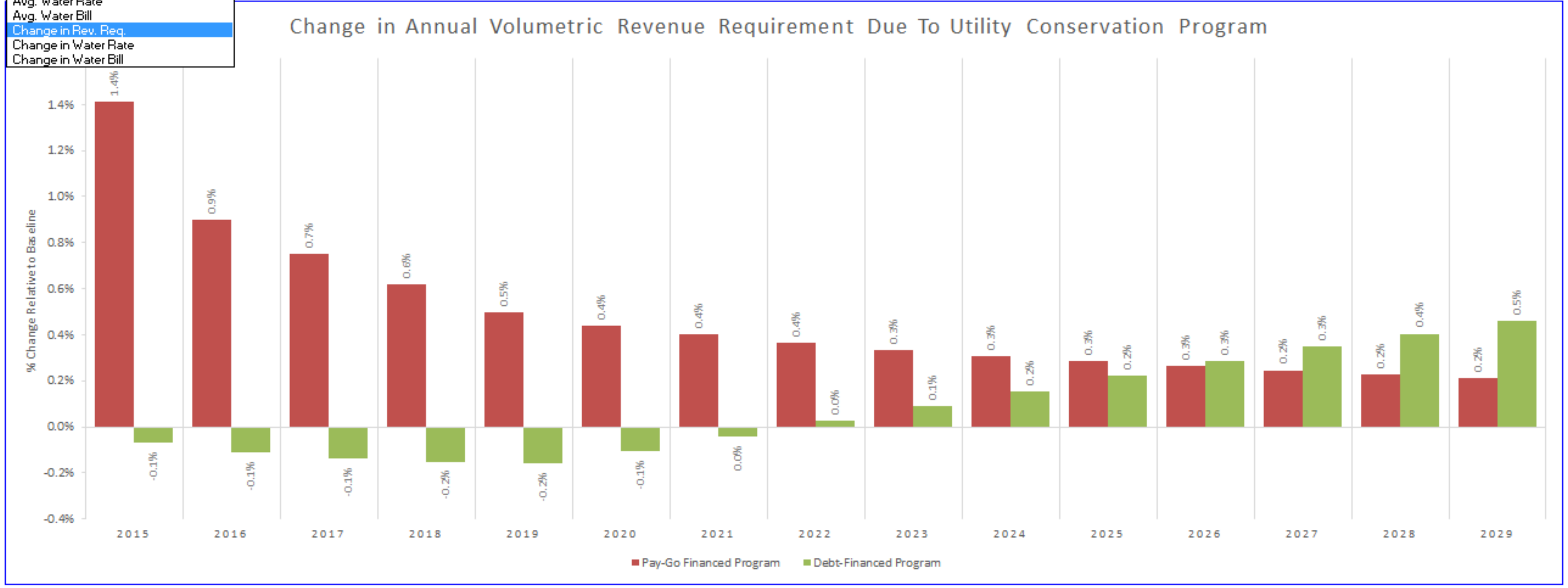
Debt Financing Term (Yrs): 15

Years to Display in Chart: 15

Chart Explanation

Show Series

- [x] Pay-Go Financed
- [x] Debt Financed



Baseline Volumetric Revenue Requirement, Average Rate, & Average Bill

Baseline Water Sales Forecast (from 2. Specify Demands)

Customer Class	Units	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Single Family	AF	43,779	43,800	43,827	43,851	43,880	43,913	44,069	44,229	44,393	44,560	44,731	45,024	45,321	45,620	45,922
Multi Family	AF	3,324	3,309	3,295	3,281	3,268	3,257	3,254	3,252	3,250	3,250	3,250	3,259	3,269	3,279	3,290
CII	AF	13,458	13,481	13,504	13,528	13,553	13,578	13,641	13,705	13,769	13,833	13,898	14,000	14,103	14,207	14,310
Irrigation	AF	6,729	6,748	6,767	6,787	6,806	6,825	6,864	6,902	6,940	6,979	7,017	7,075	7,133	7,190	7,248
Not in use	AF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Not in use	AF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Not in use	AF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Not in use	AF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Not in use	AF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	AF	**67,289**	**67,338**	**67,394**	**67,447**	**67,507**	**67,572**	**67,827**	**68,087**	**68,352**	**68,622**	**68,896**	**69,359**	**69,826**	**70,297**	**70,771**

Activity Savings Profiles | Water Savings Summary | Utility Revenues and Rates | Utility Costs and Benefits | Water Loss Comparison | Customer Costs and Benefits

Financing Sustainable Water

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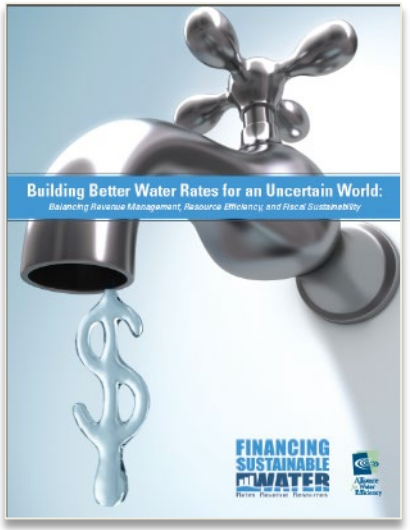
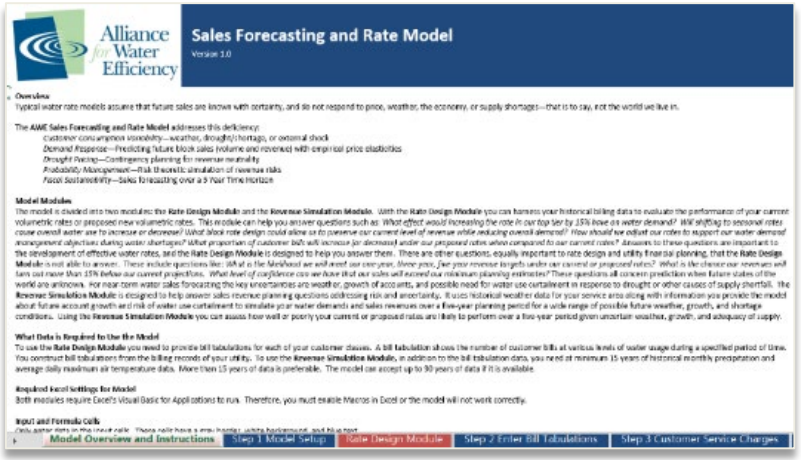
FSW: Key Concepts

- Revenue instability is a feature of ALL rate structures
- Efficiency objectives should be identified at the start
- One size does not fit all
- Embracing uncertainty enables better decision-making
- Better rate analysis requires good data
- Customer understanding and empowerment is key
- Sound financial policies can support fiscal sustainability

What is Financing Sustainable Water?

- **Building Better Rates in an Uncertain World:** A Handbook to explain key concepts, provide case studies and implementation advice
- **AWE Sales Forecasting and Rate Model:** Innovative, user-friendly tool to model scenarios, solve for flaws, and incorporate uncertainty into rate making
- **FinancingSustainableWater.org:** Web-based resources to convene the latest research and information in one location





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The Heart of the Problem

- Water rates have traditionally been focused solely on historical cost-recovery
- When system costs change quickly, and perhaps unpredictably, historical rates do not reflect today's cost consequences
- Rates do not then give customers correct information to make consumptive decisions

AWE Rates Handbook (#6)

Building Better Water Rates for an Uncertain World

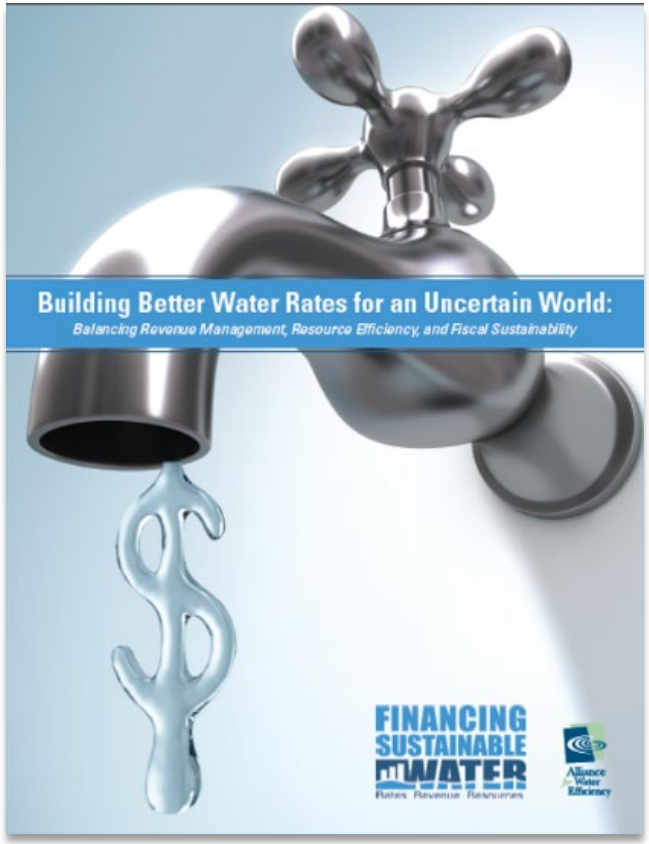
Balancing Revenue Management, Resource Efficiency, And Fiscal Sustainability

Thomas Chesnutt, A&N Technical Services

SECTION I: Introduction
SECTION II: Today's Imperative for Utility Financial Management
SECTION III: The Role of Ratemaking
SECTION IV: Building a Better (Efficiency-Oriented) Rate Structure
SECTION V: Financial Policies & Planning for Improved Fiscal Health
SECTION VI: Implementing an Efficiency-Oriented Rate Structure

Appendices

- Appendix A – Costing Methods
- Appendix B – Demand and Revenue Modeling
- Appendix C – AWE Sales Forecasting and Rate Model User Guide



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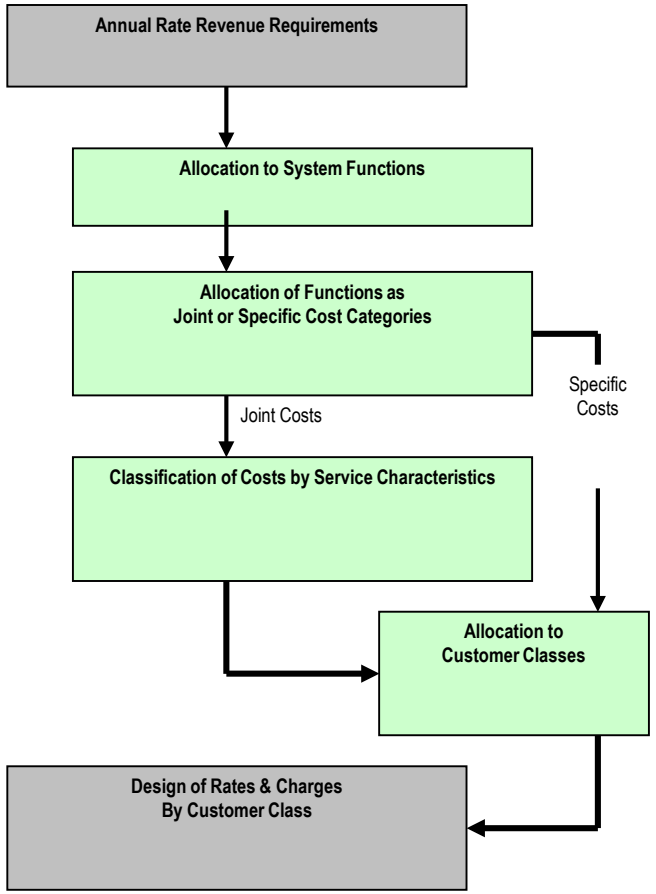
Building an Efficiency-Oriented Rate Structure

- Identify and Prioritize Ratemaking Objectives
- Determine Revenue Requirements
- Allocate Costs
- Design A Rate Structure
- Evaluate the Rate Structure against Objectives
- Decide on a Rate Structure



What Answers Are Needed?

In an uncertain world, what information could lead to better water rates?

- *Customer Consumption Variability*—How can weather, drought/shortage, or external shock affect customer consumption?
- *Demand Response*—If I change rates, what happens to demand volume and revenue?
- *Drought Pricing*—How should I plan for water rates under the contingency of nonzero drought/shortage occurrence?
- *Probability Management*—What is the likelihood of deficit?
- *Fiscal Sustainability*—What are likelihoods over a 5-year time horizon
- *Affordability*—Can customers afford water service?

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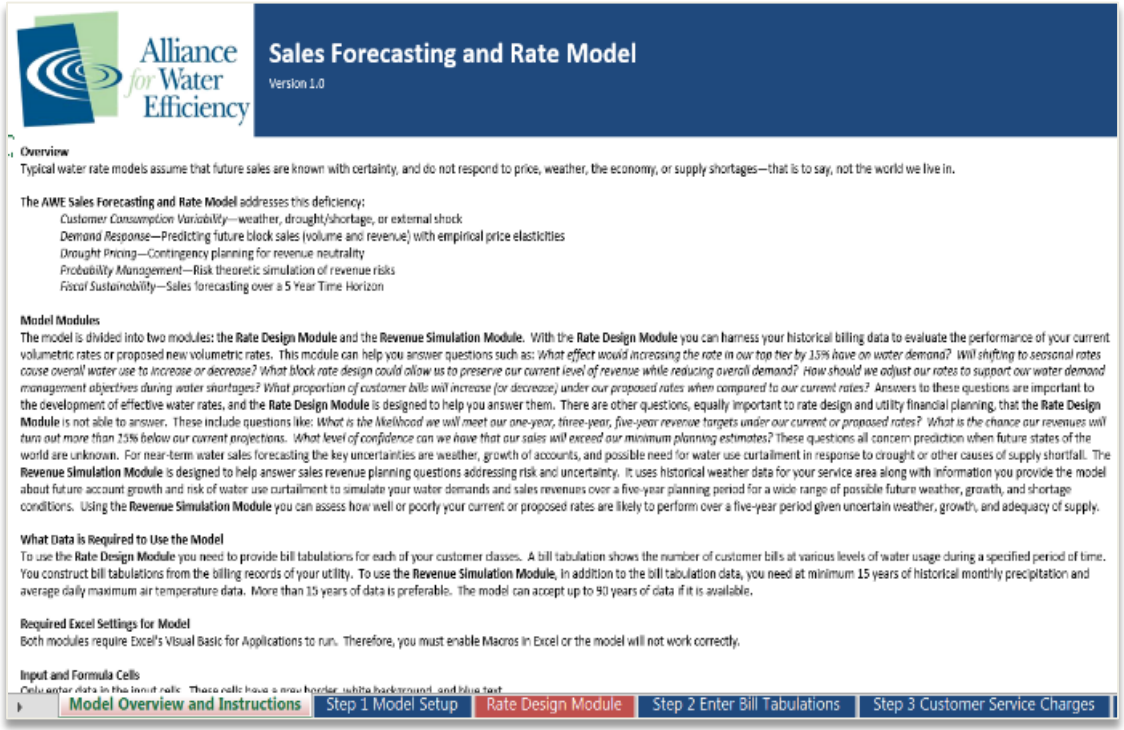
A Rate Model to Help in Forecasting Sales

- Modeling Water Demand Variability
- Modeling Water Revenue Variability
- Customer Bill Analysis
- Affordability Assessment
- Assessing Fiscal Sustainability
- The AWE Sales Forecasting and Rate Model can do all this!



Alliance for Water Efficiency

Sales Forecasting and Rate Model

Version 1.0

Overview

Typical water rate models assume that future sales are known with certainty, and do not respond to price, weather, the economy, or supply shortages—that is to say, not the world we live in.

The AWE Sales Forecasting and Rate Model addresses this deficiency:

Customer Consumption Variability—weather, drought/shortage, or external shock
Demand Response—Predicting future block sales (volume and revenue) with empirical price elasticities
Drought Pricing—Contingency planning for revenue neutrality
Probability Management—Risk theoretic simulation of revenue risks
Fiscal Sustainability—Sales forecasting over a 5 Year Time Horizon

Model Modules

The model is divided into two modules: the **Rate Design Module** and the **Revenue Simulation Module.** With the **Rate Design Module** you can harness your historical billing data to evaluate the performance of your current volumetric rates or proposed new volumetric rates. This module can help you answer questions such as: *What effect would increasing the rate in our top tier by 15% have on water demand? Will shifting to seasonal rates cause overall water use to increase or decrease? What block rate design could allow us to preserve our current level of revenue while reducing overall demand? How should we adjust our rates to support our water demand management objectives during water shortages? What proportion of customer bills will increase (or decrease) under our proposed rates when compared to our current rates?* Answers to these questions are important to the development of effective water rates, and the **Rate Design Module** is designed to help you answer them. There are other questions, equally important to rate design and utility financial planning, that the **Rate Design Module** is not able to answer. These include questions like: *What is the likelihood we will meet our one-year, three-year, five-year revenue targets under our current or proposed rates? What is the chance our revenues will turn out more than 15% below our current projections. What level of confidence can we have that our sales will exceed our minimum planning estimates?* These questions all concern prediction when future states of the world are unknown. For near-term water sales forecasting the key uncertainties are weather, growth of accounts, and possible need for water use curtailment in response to drought or other causes of supply shortfall. The **Revenue Simulation Module** is designed to help answer sales revenue planning questions addressing risk and uncertainty. It uses historical weather data for your service area along with information you provide the model about future account growth and risk of water use curtailment to simulate your water demands and sales revenues over a five-year planning period for a wide range of possible future weather, growth, and shortage conditions. Using the **Revenue Simulation Module** you can assess how well or poorly your current or proposed rates are likely to perform over a five-year period given uncertain weather, growth, and adequacy of supply.

What Data is Required to Use the Model

To use the **Rate Design Module** you need to provide bill tabulations for each of your customer classes. A bill tabulation shows the number of customer bills at various levels of water usage during a specified period of time. You construct bill tabulations from the billing records of your utility. To use the **Revenue Simulation Module**, in addition to the bill tabulation data, you need at minimum 15 years of historical monthly precipitation and average daily maximum air temperature data. More than 15 years of data is preferable. The model can accept up to 90 years of data if it is available.

Required Excel Settings for Model

Both modules require Excel's Visual Basic for Applications to run. Therefore, you must enable Macros in Excel or the model will not work correctly.

Input and Formula Cells

Only enter data in the input cells. These cells have a gray border, white background, and blue text.

Model Overview and Instructions | Step 1 Model Setup | Rate Design Module | Step 2 Enter Bill Tabulations | Step 3 Customer Service Charges

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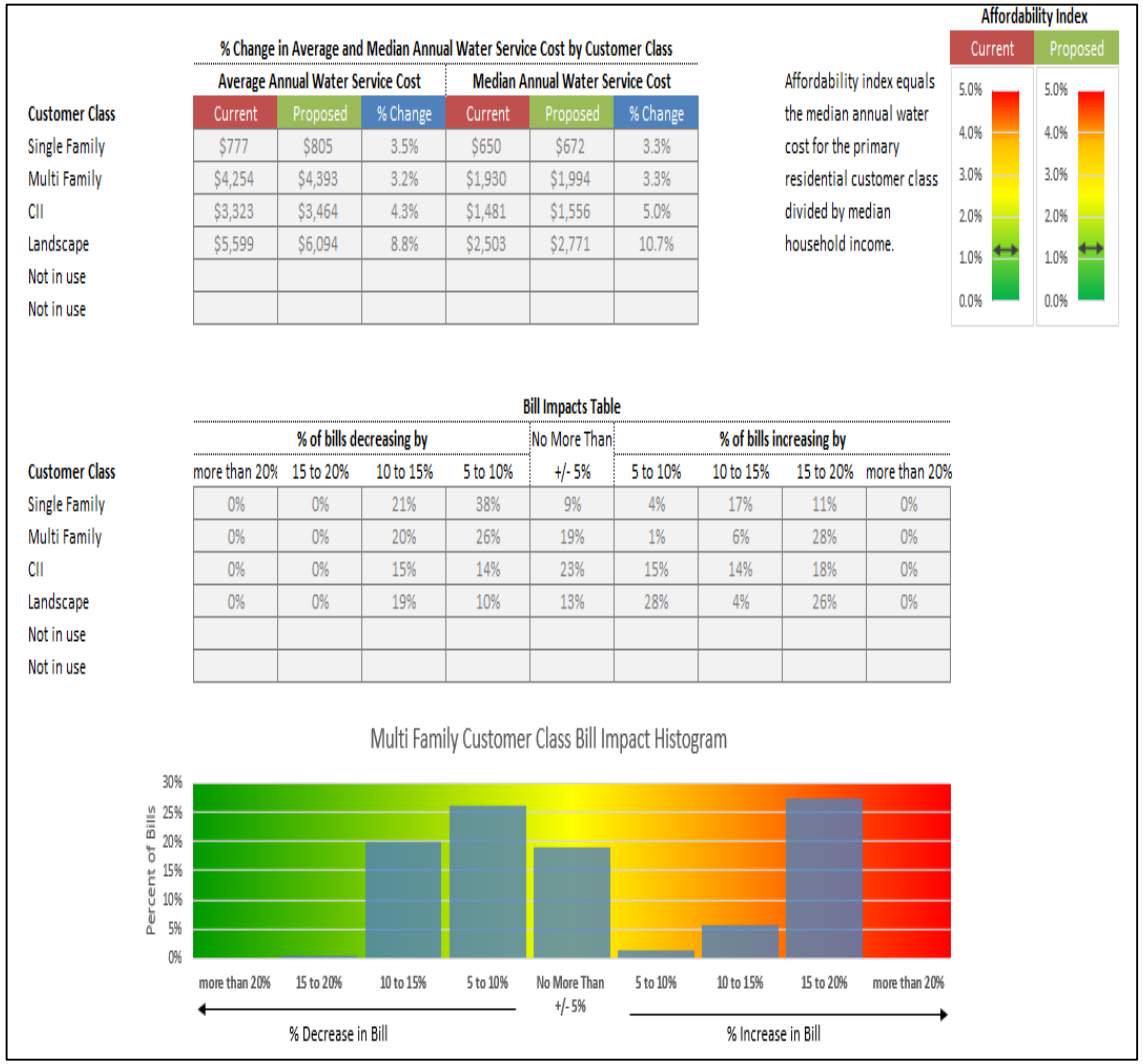
Affordability of Water Service

- AWE Sales Forecasting and Rate Model helps anticipate the impact of rate changes
- This can be used to help clearly explain changes to customers, Councils and Boards
- Provides clarity, reassurance, and an opportunity to make changes before a rate adjustment takes place



% Change in Average and Median Annual Water Service Cost by Customer Class

Customer Class	Average Annual Water Service Cost			Median Annual Water Service Cost		
	Current	Proposed	% Change	Current	Proposed	% Change
Single Family	$777	$805	3.5%	$650	$672	3.3%
Multi Family	$4,254	$4,393	3.2%	$1,930	$1,994	3.3%
CII	$3,323	$3,464	4.3%	$1,481	$1,556	5.0%
Landscape	$5,599	$6,094	8.8%	$2,503	$2,771	10.7%
Not in use						
Not in use						

Affordability index equals the median annual water cost for the primary residential customer class divided by median household income.

Affordability Index

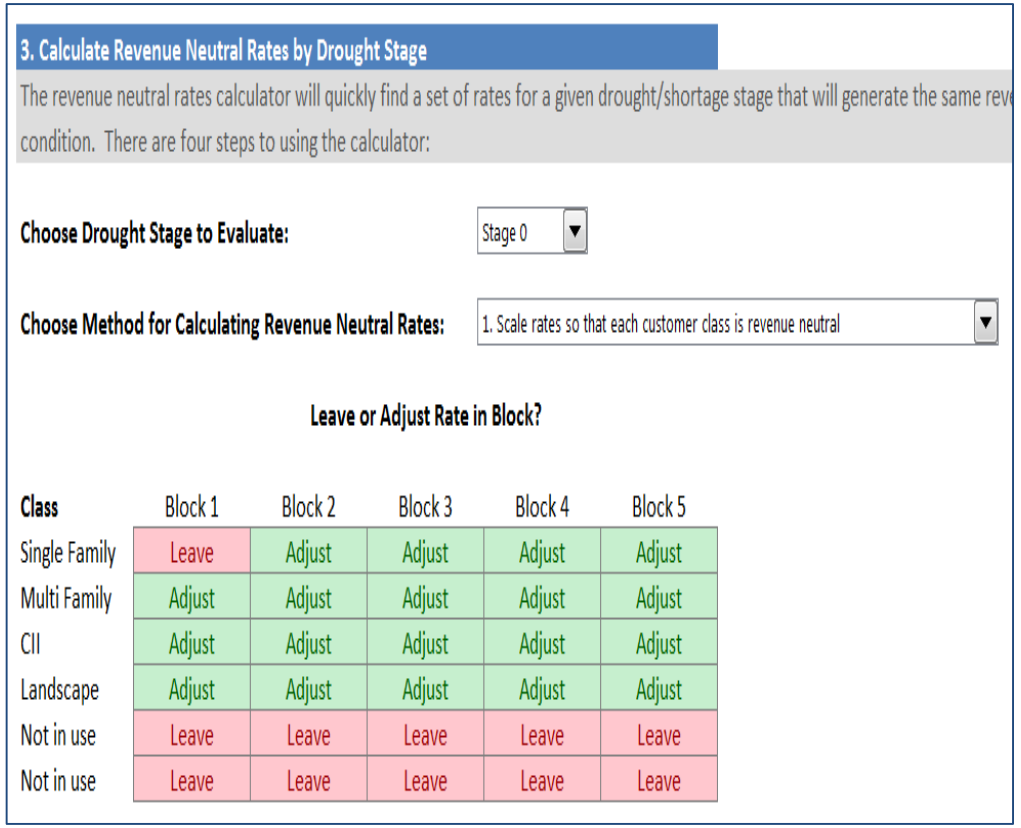
Bill Impacts Table

Customer Class	% of bills decreasing by				No More Than	% of bills increasing by			
	more than 20%	15 to 20%	10 to 15%	5 to 10%	+/- 5%	5 to 10%	10 to 15%	15 to 20%	more than 20%
Single Family	0%	0%	21%	38%	9%	4%	17%	11%	0%
Multi Family	0%	0%	20%	26%	19%	1%	6%	28%	0%
CII	0%	0%	15%	14%	23%	15%	14%	18%	0%
Landscape	0%	0%	19%	10%	13%	28%	4%	26%	0%
Not in use									
Not in use									

Multi Family Customer Class Bill Impact Histogram

Drought Pricing for Revenue Neutrality

- Shortages are *when*, not *if*.
- Imposing curtailments on customers affects revenues.
- Drought rates that maintain revenue neutrality through various drought stages can be planned for, communicated, and effectively implemented.



3. Calculate Revenue Neutral Rates by Drought Stage

The revenue neutral rates calculator will quickly find a set of rates for a given drought/shortage stage that will generate the same reve
condition. There are four steps to using the calculator:

Choose Drought Stage to Evaluate: Stage 0

Choose Method for Calculating Revenue Neutral Rates: 1. Scale rates so that each customer class is revenue neutral

Leave or Adjust Rate in Block?

Class	Block 1	Block 2	Block 3	Block 4	Block 5
Single Family	Leave	Adjust	Adjust	Adjust	Adjust
Multi Family	Adjust	Adjust	Adjust	Adjust	Adjust
CII	Adjust	Adjust	Adjust	Adjust	Adjust
Landscape	Adjust	Adjust	Adjust	Adjust	Adjust
Not in use	Leave	Leave	Leave	Leave	Leave
Not in use	Leave	Leave	Leave	Leave	Leave

Communicating Change

The Political Reality

- We don't like to revise our rates
- It is politically unpopular, so rates are changed as little as possible
- The inevitable inflationary increase is postponed until it is a crisis, much less increases in other costs
- Conservation is often blamed for financial challenges – even when there are no active conservation programs in place
- This sends the wrong message to consumers

courier-journal.com
A GANNETT COMPANY

CONSERVATION DRIVING UP WATER RATES

Environmental concerns challenge bottom line at Louisville Water Co.

SUNDAY EXCLUSIVE

THE GLOBE AND MAIL

Reduced water use drains Toronto's funds for infrastructure upgrades

Raleigh Public Record

Raleigh's Water Conundrum: Conservation v. Rates

Communicating the Value of Water

- Customer Videos
  - Explains water service and cost
  - Pipes, plants, power and people that keep water flowing
  - Video on Why Are Rates Rising?
  - Both are Free for utility use!
- Water Rates Messaging
  - Consumer-friendly language
  - Explain that conservation keeps rates DOWN in the long term
  - Use for speeches, talking points, press releases, etc.

"Every gallon saved is a gallon that doesn't need to be pumped, treated or delivered – those savings are reflected in your water bill. **Conservation helps slow the rise of water rates over the long-term."**

Water: What You Pay For

21,064 views • Jul 7, 2015

87 6 SHARE SAVE

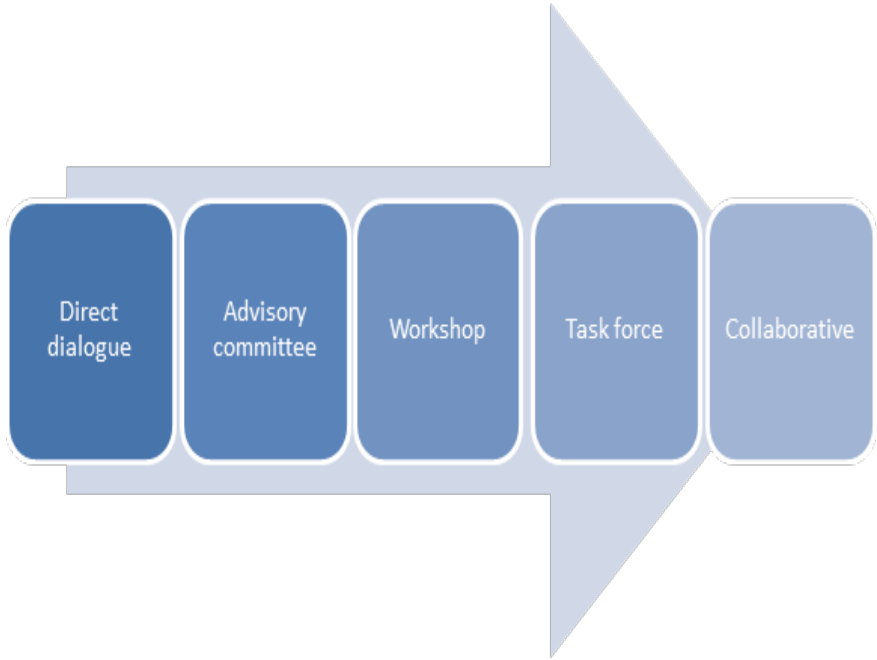
Good Question: Why Are My Water Rates Going Up?

5,460 views • Jun 30, 2017

17 4 SHARE SAVE

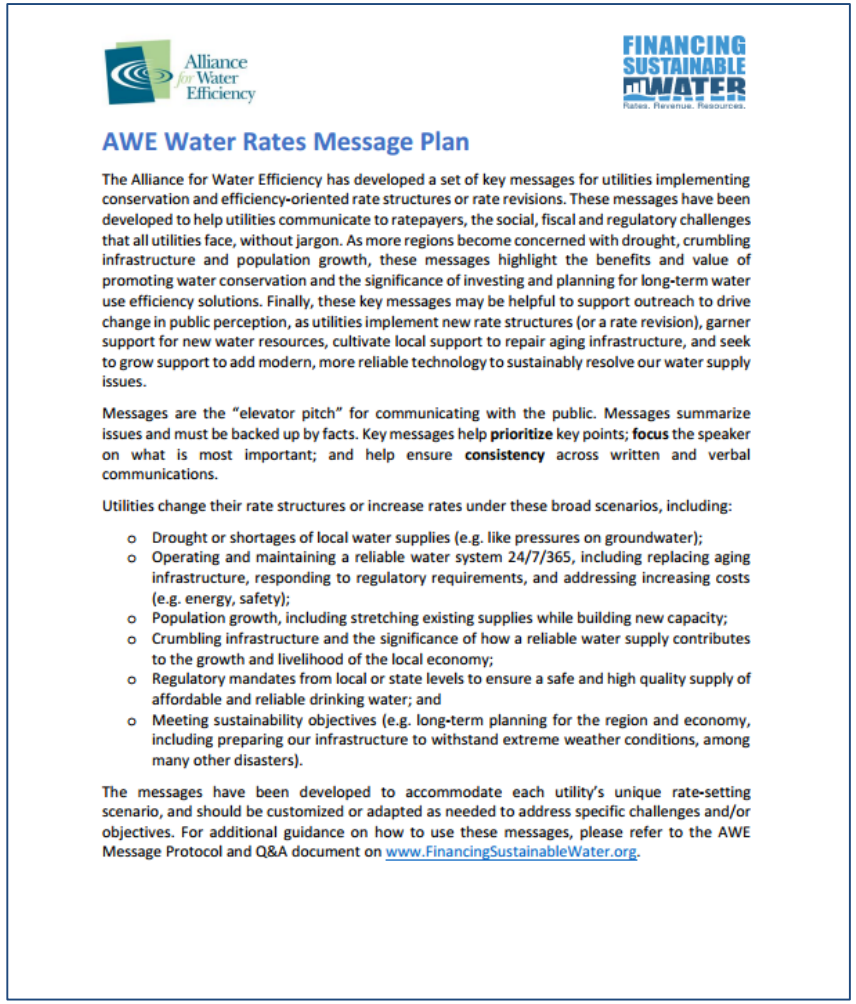
Public Engagement

- Integrated and Collaborative Planning
- Securing Buy-In from Leadership
- Getting to Yes: Approval from Elected Officials
- Internal Communications and Customer Service
- The Public as Partners
- Clear Signals and Empowered Customers
- Maintaining Dialogue and Fine-tuning



Let’s Change the Conversation

- Water Rates Message Plan
- Jargon-free messages on:
  - The service and value water utilities provide
  - Benefits and value of efficiency investments
  - The need for a rate revision or new rate structure
  - The relationship between conservation and rates
  - The impact of drivers such as drought or water quality
- Customizable to tell your story!
- www.FinancingSustainableWater.org



Alliance for Water Efficiency

FINANCING SUSTAINABLE WATER
Rates. Revenue. Resources.

AWE Water Rates Message Plan

The Alliance for Water Efficiency has developed a set of key messages for utilities implementing conservation and efficiency-oriented rate structures or rate revisions. These messages have been developed to help utilities communicate to ratepayers, the social, fiscal and regulatory challenges that all utilities face, without jargon. As more regions become concerned with drought, crumbling infrastructure and population growth, these messages highlight the benefits and value of promoting water conservation and the significance of investing and planning for long-term water use efficiency solutions. Finally, these key messages may be helpful to support outreach to drive change in public perception, as utilities implement new rate structures (or a rate revision), garner support for new water resources, cultivate local support to repair aging infrastructure, and seek to grow support to add modern, more reliable technology to sustainably resolve our water supply issues.

Messages are the “elevator pitch” for communicating with the public. Messages summarize issues and must be backed up by facts. Key messages help **prioritize** key points; **focus** the speaker on what is most important; and help ensure **consistency** across written and verbal communications.

Utilities change their rate structures or increase rates under these broad scenarios, including:

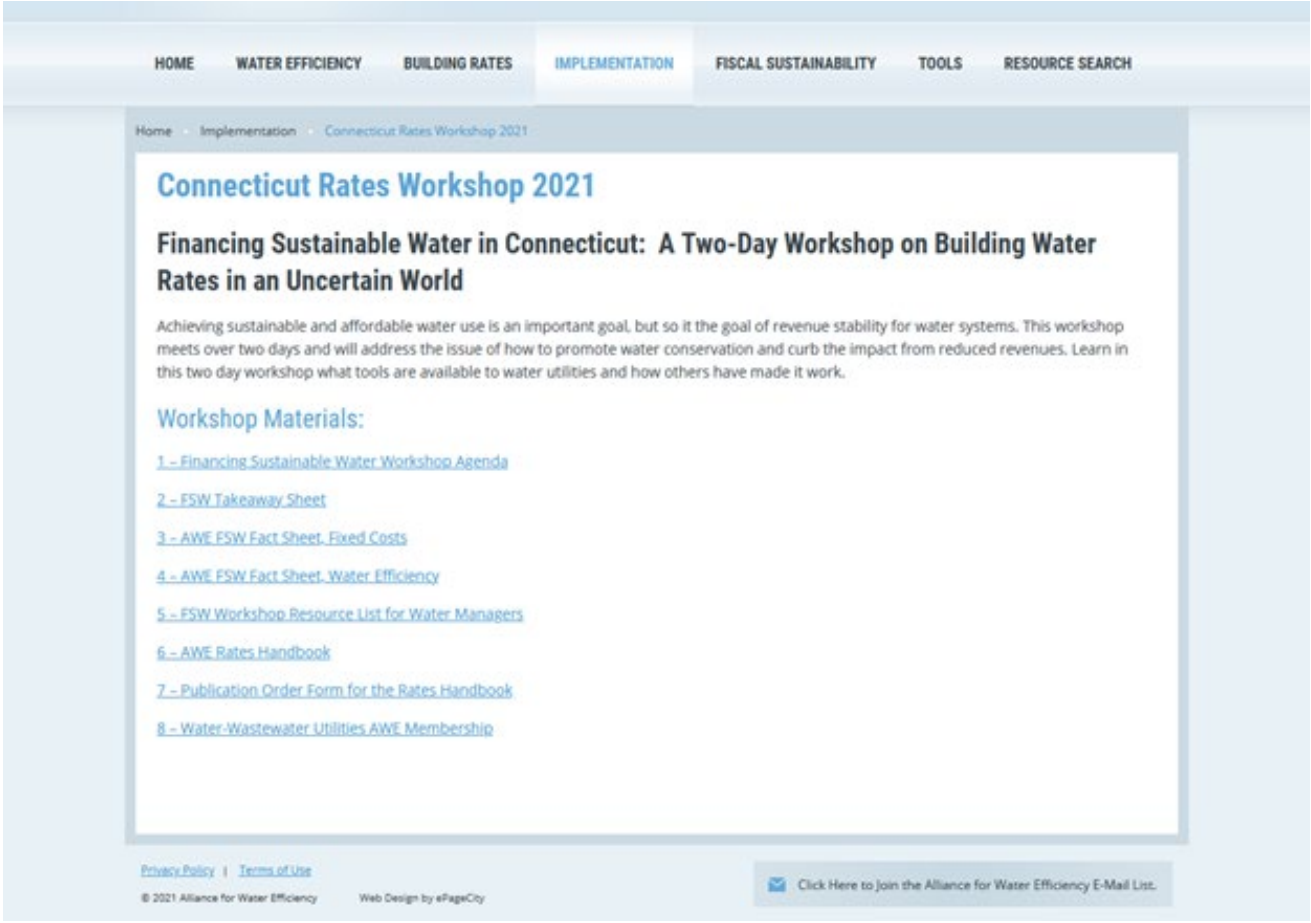
- Drought or shortages of local water supplies (e.g. like pressures on groundwater);
- Operating and maintaining a reliable water system 24/7/365, including replacing aging infrastructure, responding to regulatory requirements, and addressing increasing costs (e.g. energy, safety);
- Population growth, including stretching existing supplies while building new capacity;
- Crumbling infrastructure and the significance of how a reliable water supply contributes to the growth and livelihood of the local economy;
- Regulatory mandates from local or state levels to ensure a safe and high quality supply of affordable and reliable drinking water; and
- Meeting sustainability objectives (e.g. long-term planning for the region and economy, including preparing our infrastructure to withstand extreme weather conditions, among many other disasters).

The messages have been developed to accommodate each utility’s unique rate-setting scenario, and should be customized or adapted as needed to address specific challenges and/or objectives. For additional guidance on how to use these messages, please refer to the AWE Message Protocol and Q&A document on www.FinancingSustainableWater.org.

FSW
Rates. Revenue. Resources.

Connecticut Rates Workshop March 16-17

https://www.financingsustainablewater.org/implementation/connecticut-rates-workshop-2021



FINANCING SUSTAINABLE WATER

Rates. Revenue. Resources.

A project of the Alliance for Water Efficiency

Rates. Revenue. Resources.

Financing Sustainable Water is an initiative of the Alliance for Water Efficiency. It was created to provide practical information to guide utilities from development through implementation of rate structures that balance revenue management, resource efficiency and fiscal sustainability. This website will be updated frequently with new content and we encourage visitors to return often for additional information and resources. The Alliance serves as a North American advocate for water efficient products and programs, and provides information and assistance on water conservation efforts. Learn More

WATER MANAGERS

Find guidance on sustainable financial management

ELECTED OFFICIALS

Support your utility through smart management practices

CONCERNED CITIZENS

Learn how you can help create a sustainable water future

MEDIA

Get facts on today's water challenges and solutions

RATES HANDBOOK
Building Better Rates for an Uncertain World

RATE MODEL
Sales Forecasting and Rate Model

RECENT NEWS

- Welcome to Financing...

FEATURED RESOURCES

- Case Study: Cobb County
  Public Engagement Success
- Report: Westminster, CO
  Conservation Lowers Rates