Win With Water!

Are Your Water Rates Right for YOU?

This article talks about the importance of setting equitable and adequate user rates to fund public drinking water operations and improvements. Clean, safe, and affordable public drinking water underpins economic and public health and benefits our residents, businesses, visitors, hospitals, and schools.

As "hidden infrastructure", water services are taken for granted, and town leaders and utility managers are expected to maintain a high level of service in equitable, affordable, and understandable ways. Here are a few ideas to assure your water system receives necessary public investment:

- **Know your cost of water**. Work with your utility manager to understand your system from source to treatment to distribution. Ask about operations, staffing, deferred maintenance, and capital investment. Maintain 3-year (minimum) records of actual and budgeted revenues and expenses.
- Assess rate adequacy. The <u>NHDES Water and Wastewater Rates Dashboard</u> includes actual costs for key operational and capital metrics, and allows rate modeling and comparison with nearby towns.
- Use blended rates and enterprise funds. Use a balance of fixed fees (e.g. meter sizes) and water use rates to generate revenue. Adopting an "enterprise fund" model consolidates water revenues and costs. This is a fair and logical way to manage and communicate revenues and meet operational costs.
- Control costs by investing wisely. High-value examples include:
 - Improve operations efficiency (modern meters, VFDs, off-peak power and water storage, leak detection and prevention, water conservation, supply contracts, pro-active maintenance)
 - Adopt technology (SCADA (supervisory control and data acquisition)
 - Recruit and retain qualified staff (highly trained, results-focused, team players)
 - Enact Asset Management and Leak Detection programs.
- **Communicate**. The cost of water is one of our lowest expenses. Thus, a rate increase that would be high for property values (say 5%) is low for water. Explain this to fellow citizens and colleagues.

Win with Water! is an informational series to raise awareness and provide actionable steps to public water system managers, administrators, and policy makers.

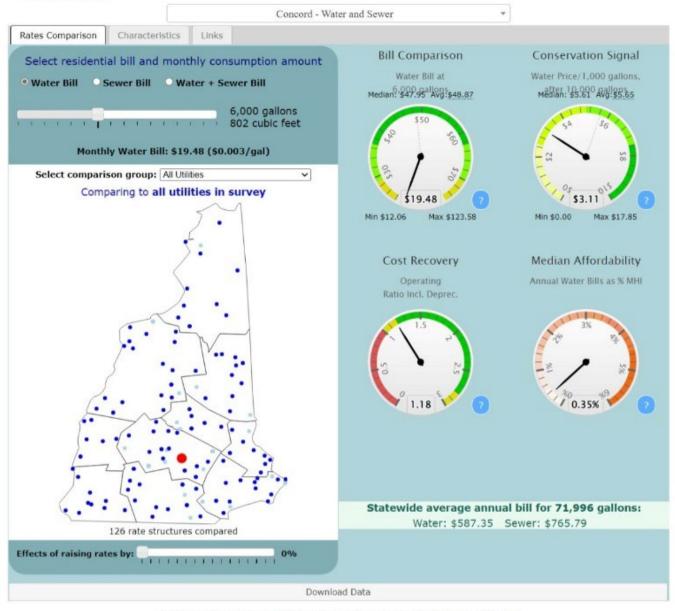




NH Water and Wastewater Rates Dashboard Rates as of January 1, 2021

Last updated: August 31, 2021





Copyright (c) 2022 Environmental Finance Center at the University of North Carolina, Chapel Hill.