

# Proposed Rate Order Revisions

November 30, 2020

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## Overview

- Current Rate Order adopted on October 5, 2009, prior to first surface water delivery; no revisions since initial adoption
  
- Authority staff and consultants have identified six (6) areas for proposed revisions:
  1. Truth in Billing
  2. Authority Construction of Water Receiving Facilities
  3. Late Fees for Meter Reading/Reporting Failures
  4. Remote Meter Reading Devices
  5. Contract GRP Participants
  6. Authority Consent for Indirect Reuse Projects

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## Proposed Schedule

- Today – Present draft to Board; request authorization to release for public comment
- December 7, 2020 – January 22, 2021 – Draft revised Rate Order available to public for review/comment
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## Truth in Billing

- With the rising cost of water, the Authority has received more inquiries from concerned citizens about the Authority's rates
- Authority has learned that many retail water providers charge a rate far in excess of the actual Cost of Water, but still call it something like "NHCRWA Fee," giving the appearance the Authority receives the full amount listed
- Proposed revisions encourage transparency by asking retail water providers to use two (2) line items on bills:
  1. The amount of Fees paid to the Authority;
  2. The amount the retail water provider deems appropriate to recover its costs related to Authority Fees (e.g. lost water, costs for collecting and remitting Authority Fees).

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## Authority Construction of Water Receiving Facilities

- For the 2010 system, Converted Entities constructed own chloramine treatment facilities and receive a "chloramine credit" to repay the cost
  - This method caused delays in the Authority's ability to initiate surface water delivery to many Converted Entities
- For the 2025 system, the Authority will construct all Water Receiving Facilities necessary to deliver surface water, including the chloramine treatment systems
- Authority pays all costs

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## Authority Construction of Water Receiving Facilities [cont.]

- For facilities on a Converted Entity's property, the Authority will:
  - engage a design engineer acceptable to the Converted Entity
  - provide time for the Converted Entity to review/comment on plans and specifications
  - allow the Converted Entity to inspect and comment on construction progress
  - require the contractor to add the Converted Entity as an additional insured on liability insurance, coordinate work with the Converted Entity's engineer/operator, provide record drawings to the Converted Entity and invite the Converted Entity's engineer to all project meetings and final inspections
- Like current situation, Authority will own/maintain all facilities upstream of the point of delivery and the Converted Entity will own/maintain all facilities downstream of the point of delivery

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## Late Fees for Meter Reading or Reporting Failures

- Current Rate Order requires daily well meter reads and entry into the OPRS at least twice weekly, but there is no fee for failure to do so
- Draft includes the following:
  - If 1-15 days late: fee equal to greater of \$50 or 10% of bill
  - If 16+ days late: fee equal to greater of \$100 or 20% of bill
  - If meter reading entered is more than 10% below actual: fee equal to greater of \$100 or 20%
  - If Authority must read meter, additional \$150 fee to cover Authority's cost

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## Remote Meter Reading Devices

- The Authority plans to enhance its SCADA system to read all meters, including well meters
- Requires Authority to install remote meter reading devices on well meters
- Once installed:
  - Authority will own, operate and maintain the remote device (but not the meter)
  - Authority will read meters and send invoices; Payor will no longer be required to enter readings or print invoices

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## Contract GRP Participants

- Adds provision expressly allowing the Authority to admit GRP members by contract (power already exists in enabling legislation)
- Requires Authority to state a contract GRP rate in its Pricing Policy

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## Authority Consent for Indirect Reuse

- Recognizes right of an entity to direct reuse of effluent from surface water, with or without Authority involvement
  - Authority prefers water systems use its Alternative Water Use Incentive Program
- Requires Authority consent for indirect reuse of treated effluent derived from surface water
  - Enables the Authority to protect effluent from surface water
  - Projects still eligible for the Alternative Water Use Incentive Program

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## Questions?

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