DIVIDE COSTS EQUITABLY
Consider charging connection fees for new commercial properties and stormwater fees if your community is a CSO community. These fees serve to increase revenues in a way that reduces the remaining costs that have to be paid by the ratepayers in a more equitable way.

HOW THE REMAINING COST PIE CAN BE APPORTIONED FAIRLY

1. Review rate structure to ensure that costs are apportioned fairly (such as basing flow on volumetric use instead of flat fees per household so that a single person doesn’t pay the same bill as a family of 12).

2. To the extent permitted by state regulations, allow for low-income assistance programs.

3. If a regional utility, consider a host community benefit to the community hosting the treatment plant (For example, this was done in Camden so that the Camden residents paid $220 per year while the suburban residents paid $352).

REDUCE UTILITY COSTS
REDUCE THE OVERALL SIZE OF THE COST PIE THAT HAS TO BE PAID BY THE RATEPAYER

- Better funding and financing of projects. Best options: Grants and low-interest loans (Ex. SRF).
- Reduce operational costs via capital investments and look internally at optimizing efficiency.
- Ensure that operational cost savings from the capital expenditures > the annual debt service costs associated with the financing of the expenditures (this could even yield net positive results by using innovative financing methods).
- Reduce operational costs through improved operations and maintenance efficiency.
- Procurement - seek to maximize the number of bidders and consider innovative procurements, like power purchase agreements.

INCREASE REVENUE
SMALL FEES ADD UP

- Charge a connection fee for new commercial users (it’s optimal to do this at the time of permitting).
- If your community is a CSO community, charge a stormwater fee.
- Reduce non-revenue water (this is both a cost reducer (the less NRW, the less electricity and chemical costs) and also a revenue enhancer (more revenue realized)).

REDUCE THE OVERALL SIZE OF THE COST PIE THAT HAS TO BE PAID BY THE RATEPAYER

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Using Operational Efficiencies & Revenue Optimization to Ensure Equitable Rates