



GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

AGENDA DATE: May 4, 2023 (continued discussion from April 26, 2023 meeting)

AGENDA ITEM: Water Leak Policy

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BACKGROUND:

GRPU managers continue to work on drafting policies for Commission review. This month, staff is looking to create policies addressing water leaks. The former GRPU Water Operating Rules, rescinded last year, minimally addressed the process for repairing water leaks. Moving forward and recognizing that water is often referred to as the new gold, staff wants to develop modernized policies that address the overall operational concerns and the customer service perspective of water leaks. Prior to staff drafting these policies, however, we would like to discuss with the Commission some broad, fundamental concepts regarding the water utility and its use.

Below are some general facts about the GRPU water utility. Following that information are four scenarios with questions for you to consider. We will be discussing these at the work session.

Typical GRPU water utility info:

USAGE TYPE	ANNUAL ESTIMATED USE
Water produced	350,000,000 gal
Water sold	305,000,000 gal
Residential house	30,000 gal
Commercial office	180,000 gal
Firefighting & training	120,000 gal
Hydrant flushing	1,500,000 gal

(recall ~10.4% unaccounted for in 2022)

Leaking toilet 200-300 gal daily or 6000 - 10,000 gal monthly
 Running hose 1,000 - 2000 gal hourly or 720,000 – 1,400,000 gal monthly

Scenario 1:

For our electric utility, if a customer inadvertently has their thermostat set such that it results in their using significantly more electricity than their normal usage, GRPU billing practice does not credit the customer for the unintended usage as costs were incurred to provide the electricity. For our water utility however, historically we have offered some form of credit for unintended excess water usage upon a customer request, despite having incurred the costs to produce, treat, store and distribute the water to the customer.

Should GRPU consider credits for unintended excessive electric or water usage, and if so why?

Scenario 2:

A public drinking fountain leaked on the ground for an extended period of time. GRPU waived the sanitary sewer charge for the amount of flow attributed to the leak because the water did not enter the sanitary sewer system, charged the total water consumption at the lowest tier rate for water, and allowed a payment plan.

Does this billing practice seem reasonable? If yes, should this billing practice apply to all customer classifications, i.e. residential, commercial, and public entities such as government and schools? Is it reasonable for the unpaid costs for the water leak to be absorbed into the overall water utility budget? If deemed not a reasonable billing practice, what would seem reasonable?

Scenario 3:

In order to reduce our unaccounted flow, all water access points should be metered. GRPU allows firefighting and fire training to provide us with an estimate of their annual water usage rather than us requiring a meter to be installed at the source(s) where fire truck tanks are filled.

Should we continue to allow unmetered estimates? Or, should all of the access points to water be metered to help narrow down where the unaccounted flow is coming from? If so, should the same requirement apply to all customer classifications?

Scenario 4:

For smaller water leaks, often the cost of repairing a leak in the winter months exceeds the value of the amount of water lost through the leak so GRPU allows for a longer timeline for the customer to complete the repair. Sometimes however the severity of the leak could result in significant costs for the large volume of water lost as well as potential damage to infrastructure if the leak is not fixed immediately. We suggest drafting policy language allowing staff the authority to do a cost-benefit for the timeliness of the repair on a case-by-case basis and require an appropriate time allotment for the repair.

Would the Commission be comfortable with this type of language?

RECOMMENDATION:

Review and be prepared to discuss draft water leak policy concepts.