

Austin Water Responses to MP Tovo Additional Questions on Item #23 on 4/7/2016 agenda

1. Staff's initial Q/A response referred to the policy articulated in Council Resolution 20110512-003. Have staff been using this policy? If so, what is the total dollar amount that AWU has waived over the last 5 years, and what is the corresponding "excess" water usage as expressed in gallons?

Response:

Austin Water has been using Council Resolution 20110512-003 to adjust for unusually high water bills that are unexplained usage. Austin Water is able to provide the number of adjustments per calendar year over the last 5 years. The table below shows the number of adjustments and the total amount of the credits for each year. We are not able to quickly compile the corresponding excess water usage for these adjustments. These adjustments were reviewed on a case by case basis by management without any application form or threshold of excess usage. The proposed amendments to the administrative policy would provide a more standard process which would result in more consistency in granting the customer administrative credits.

Calendar Year	Number of Adjustments	Total Adjustment Credits
2011	146	\$ 48,778.52
2012	128	\$ 61,002.62
2013	147	\$ 78,829.49
2014	189	\$ 68,791.23
2015	162	\$ 87,360.75
2016	13	\$ 16,981.65
Totals	862	\$ 392,736.36

2. Please provide the number of customers in each tier whose usage is greater than or equal to three times the customer's normal usage for 2014 and 2015.

Response:

The tables below provide the number of customers in each tier whose usage was greater than or equal to three times the customer's normal usage. The tables assume that all customers with three times their normal usage would apply for the proposed administrative adjustment policy and would not have any other circumstances that would disqualify them from receiving a credit. Additionally, Austin Water believes that many of the customers with lower water use and only a small credit would not seek relief. The actual number of customers that would apply for and receive a credit would likely be much less than the maximum amount shown in the tables.

As you can see, the numbers of customers that meet the threshold of three times their normal usage varies significantly by year. This is due to changes in weather conditions from year to year that will impact overall water usage.

The table below describes the maximum financial impact of the proposed administrative adjustment policy where customers had high water bills during the months of June through September, 2015. The primary qualifier is that up to two months during this period reflect greater than three times their monthly average usage as compared to the same months in the prior year.

June to September 2015 compared to June to September 2014

Water Usage 3x Average Usage	Qualifying Customers	Total Credit	Average Credit
<2,000 gallons	105	\$ 100	\$ 1
2,001-6,000 gallons	2,053	\$ 12,500	\$ 6
6,001-11,000 gallons	2,940	\$ 74,200	\$ 25
11,001-20,000 gallons	3,728	\$ 297,900	\$ 80
>20,000 gallons	5,042	\$ 1,955,300	\$ 388
Totals	13,868	\$ 2,340,000	\$ 169

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June to September 2014 compared to June to September 2013

Water Usage 3x Average Usage	Qualifying Customers	Total Credit	Average Credit
<2,000 gallons	76	\$ 200	\$ 3
2,001-6,000 gallons	1,506	\$ 9,000	\$ 6
6,001-11,000 gallons	2,033	\$ 52,500	\$ 26
11,001-20,000 gallons	2,340	\$ 193,400	\$ 83
>20,000 gallons	2,980	\$ 1,212,800	\$ 407
Totals	8,935	\$ 1,467,900	\$ 164