

## Protocol And Guidelines for Using AWE's Water Rates Message Plan

The Alliance for Water Efficiency has developed a set of key messages to help water utilities communicate a rate increase or change in rate structure that also incentivizes customers to conserve. This document provides guidelines for using these key messages effectively to support your communication objectives.

One size does not fit all when it comes to delivering key messages. Each utility faces different challenges, drivers and factors related to implementing a rate change. Some messages on specific local issues will be more important to deliver than others. Similarly, specific audiences or stakeholder groups may be more important than others in terms of their influence or ability to affect your utility's objectives. The **AWE Water Rates Message Plan** was developed to allow you to select and adapt the messages that best help you tell your story.

What does not change is the **process** of message development and use. The AWE Water Rates Message Plan contains much information that can apply to your local situation, perhaps with minimal revisions. **Use the AWE Water Rates Message Plan as a blueprint** for developing additional messages based on local issues. The message plan also highlights areas to be "localized" by calculating your specific rates and costs, putting in local descriptions, and more.

The following points should be considered when using these messages.

1. **Identify the most critical water issues** among your utility's stakeholders and community influencers.
2. **Maintain fidelity to the four core messages** in the AWE Water Rates Message Plan. They are virtually universal in most parts of the country, even those with plentiful water sources.
3. **Maintain but customize supporting information** for the four key messages in the AWE Water Rates Message Plan to reflect facts and other information that apply to your utility's circumstances. While the core messages apply to many situations, incorporating local detail will ensure messages resonate with customers.
4. **Create new "message tracks"** (three to four messages and supporting information for each of those messages) as needed for each identified local issue. Examples:
  - a. Specific rate increases and related issues
  - b. Water supply challenges
  - c. Conservation programs and efforts
  - d. Water quality issues, infrastructure needs or concerns
  - e. Public criticism of your utility's approaches and actions
  - f. Crisis or issues incidents

5. **Develop a robust Q&A section for new issues**, focusing on new questions that may arise because of the specific local issues you have identified.
6. **Document message plan changes** in a “final” plan for your utility and distribute to appropriate departments and individuals (Conservation, Customer Service, etc.)
7. **Review and rehearse** messages with key utility spokespersons. Help spokespersons deliver key concepts in their own words, which will make it easier to retain. Schedule additional rehearsals in advance of major announcements or media coverage of new issues.
8. **Memorialize messages** by updating collateral materials and website content. Hearing and reading consistent information helps crystalize the message in the minds of stakeholders.
9. **Create an audience database** and tailor messages for specific stakeholder groups that may need to be engaged, such as:
  - a. Large commercial and industrial customers
  - b. Ratepayer advocacy groups
  - c. Community or business leaders
  - d. Environmental groups
10. **Build the messages** into all communication efforts, including informational materials such as the following. Be proactive in delivering consistent messages at every opportunity.
  - Fact sheets and FAQs
  - Community presentations
  - Newsletters
  - Blog posts
  - Website content
  - Talking points for media interviews
  - Social media content
11. **Review messages regularly** and consider refining or expanding upon your messages based off the reactions you receive when conducting your outreach.

## Question & Answers: Rate Structure Change Or Rate Increase

As a supplemental document to the four key messages provided, AWE is also providing a Q&A document to help enhance your communication efforts.

AWE encourages all water utilities to rehearse and practice responding to tough questions. It is our hope that the Q&A document will serve as a good starting point for your utility, and you will definitely need to customize these questions and responses to fit your region and situation.

**PLEASE NOTE:** *In many of the responses, you will note how AWE often responds by incorporating one of the four key messages. You may choose to fold in two messages when responding. Delivering messages consistently is an important tactic to help increase customer awareness over time.*

**1. Q: You asked me to conserve water – I did that, and now you are raising my rates! I do not understand this and it makes me angry.**

Answer(s):

- As you know, **[Utility name]** has worked hard to ensure high-quality drinking water continuously flows to your taps. Our job is to ensure clean, drinkable water is available where and when you need it 365 days a year. **[Utility name]** has been delivering reliable water service to you since **[year]**, thanks to hundreds of miles of pipe, thousands of watts of electricity and hundreds of dedicated people working around the clock.
- The costs to deliver the water service customers expect when they turn on the faucet are rising and also changing. We are not alone; utility costs are increasing across the country. Just like any business, as costs of these inputs rise, our prices must rise to reflect the cost of providing the service.
- Conservation has been shown to benefit water customers by reducing our utility's costs. When we are able to reduce our costs, that helps slow the rise of water rates over the long-term.

**2. Q: Why do rates need to be increased? How often will we see increases?**

Answer(s):

- The water bill you pay is an investment in our water future, to ensure we can continue to provide you – and generations to come – with the high quality water service you receive today. Our new rate **(increase) (structure)** will help us make our water system stronger, so that we can provide smarter services at the lowest costs.
  - i. The average residential bill for a family of four will increase by only [\$\_ to - \$\_] per month.
  - ii. [TBD%] of our customers who use less than [utility tier] will see no change to their bills.

**3. Q: If water is a finite resource, why are you still allowing new development to take place here?**

Answer(s):

- As a water utility, our job is to ensure clean, drinkable water is available where and when you need it 365 days a year. **[Utility name]** has been delivering reliable water service to you since [year], thanks to hundreds of miles of pipe, thousands of watts of electricity and hundreds of dedicated people working around the clock.
- Development of approval authority rests with **(city council, county commission, or other entity in the area)**. However, as a water utility we are directly responsible for ensuring that we continue to deliver high quality water to all residents in our service area, as water is essential to human life and keeps our economy healthy.
- **[Add information about tap or impact fees, or initiatives to manage growth]**

**4. Q: Aren't you really just raising our water rates to pay for all the people who have moved here from another state?**

Answer(s):

- No. Our costs to deliver the water service customers expect when they turn on the faucet are rising and changing. Just like any business, as costs of these inputs rise, our prices must rise to reflect the cost of providing the service. **[Use below messages to describe cost drivers as appropriate]**
  - Our costs are rising for the processes and chemicals to produce clean drinking water that meets evolving water quality standards.
  - Our costs are rising to repair and replace hundreds of miles of aging pipelines and plants that deliver water - before major service disruptions occur.
  - Our costs are rising for energy, labor and insurance to deliver billions of gallons of water to homes.
- **[Add any information about tap or impact fees related to new connections]**

**5. Q: Prices are increasing on everything – a water rate increase is the straw that will break the camel's back. Why does water cost so much?**

Answer(s):

- Your monthly water bill payments are working to ensure our ability 24 hours a day, 7 days a week to deliver high quality, reliable water in a manner that values the environment, community and economic interests, and sustains the resources entrusted to our care.
- We safeguard water for our community by producing an adequate supply that meets strict standards for safety and quality, and ensuring our drinking water system protects that water from our facilities to your faucet.
- And when water service is compared to the cost of staple consumer goods and other services, such as electricity, telephone, and cable, water is an outstanding value. The average cost for one gallon of water from your water source to your tap is half-a-cent. In comparison:
  - The national average for one gallon of whole milk is \$3.50.
  - The national average for one gallon of gas is \$2.86.
  - Bottled water costs about \$1.21 per gallon nationwide – or about 300 times the cost of a gallon of tap water.
  - Considering that almost two thirds of all bottled water sales are single-serve 16.9oz bottles, this average cost for a gallon can be much, much higher: about \$7.50 per gallon. That's almost 2,000 times the cost of a gallon of tap water.

**6. Q: Aren't you just passing the buck when you blame rate increases on new water quality regulations?**

Answer(s):

- No. When water quality regulations are more stringent to protect public health, it costs us more to comply with those regulations and ensure drinking water meets all standards. We might have to add new technological processes, use more materials in the drinking water treatment process or take some other action to meet new standards. These types of actions cost more and we are required to recover all of our costs.
- Our job is to ensure clean, drinkable water is available where and when you need it 365 days a year. **[Utility name]** has been delivering reliable water service to you since **[year]**, thanks to hundreds of miles of pipe, thousands of watts of electricity and hundreds of dedicated people working around the clock.
- Our supplies are becoming tighter, our infrastructure is aging and in need of investment, and our costs to provide service are changing. We are rising to the challenge, working to forecast future needs and making our system more resilient to evolving regulatory requirements, volatile weather, changing demand and other trends.

**7. Q: If you want people to conserve water, why does the city require blue grass and other landscaping that requires a lot of water? Why aren't you going after HOAs?**

Answer(s):

- Our utility's water rates incentivize us all to use water efficiently and reflect the value of water service. The more water you use, the more expensive that water becomes.
- All customers are sharing the cost of water and we are asking all customers to also conserve. We are working with HOAs and other groups to ensure outdoor water use is managed wisely.
- Efficient irrigation technologies and strategies are available to help customers reduce their outdoor water use. **[Note any rebate or assistance programs available]**

**8. Q: Are there assistance programs for people who can't afford to pay higher water rates?**

Answer(s):

- Conservation is the best way to manage your own water costs. The less water you use, the less you will pay. While water rates will continue to rise over time, those who conserve will always pay less than those who waste water or do not conserve.
- Our rate structure means you will always receive the water you need for daily use at an affordable cost. We have programs to help customers reduce their water use and lower their bills.

**9. Q: We live in a water-rich area. Why do we need a tiered rate structure?**

Answer(s):

- While we do have a lot of water, it is a finite resource and we must be stewards of it. Although we have abundant supplies, demand is growing and the cost of providing water to residents and businesses increases as demands increase.
- Our finite supply of water must be sustainable to provide water for the future. Using water efficiently helps ensure we can continue to provide reliable water service for our children and grandchildren, support our growing economy, and create a healthy environment for recreation and wildlife. Our new rate structure will help us all use water wisely and create a more secure water supply for our community.

### **Additional Questions for Consideration:**

AWE encourages you to practice your responses with utility leadership and incorporate additional potential questions into your message training. Additional tough questions are listed here for consideration.

- Water is a necessity of life – it should be free. How do you justify our community’s ever-increasing water bills?
- I am on a fixed income and cannot afford these increases. What can you do to help me?
- Have you really “tightened” your belt and cut out waste in the water department – shouldn’t you do that before raising rates?
- Why can’t you just absorb the increased cost of purchasing water? Everything is going up and I can’t afford to pay more.
- What is the city doing to keep water rates as low as possible?
- In retrospect, shouldn’t you have raised rates by a smaller amount gradually over the last few years to avoid such a large increase now?
- What would happen if our rates weren’t increased?
- How can I conserve water and lower my water bill?
- It seems to me that you’ve known about this issue for some time now. Why haven’t you communicated this issue to the community before?
- If your employees didn’t have such generous pension benefits, would you need to raise water rates?
- Is it fair for the utility to make a profit at the expense of taxpayers?
- Why do utility employees get paid so much? Is this the real reason why our rates are going up?
- Am I paying more than people who use lots more water than I do?
- I believe it is unfair that I have to pay so much for water just because I live in a community that has large yards around every house – residents in our community should not be penalized like this.