Combined Utility System

Recommendation for Multi-Family Water Conservation Rebate Program
December 7, 2010
## Combined Utility System

### Multi-Family Conservation Program Proposal

- In the Rate Ordinance approved by City Council on April 21, 2010 a Multi-Family rebate program was authorized.

- PWE agreed to bring forward a recommended two-part program, total funding of $28M over 24 months:
  - One for rent restricted multi-family properties – this program is now underway.
  - The second which all multi-family owners/managers are eligible. The intent is to reduce high water consumption by encouraging customers to educate residents on efficiency and install water saving devices.
Focus of the Multi-Family Water Conservation Rebate Program

Mitigating the impact of the rate increase on the owners and tenants of properties through rebates for achieved water conservation

- Water conservation provides a conservation benefit to CUS and potentially offsets rate increases for participating owners
- Conservation Program is a legal use of funds of the Combined Utility System
- Consulted with stakeholders for program design and implementation
Multi-Family Water Conservation Rebate Program

- **Estimated $9M annually for two calendar years**
  - This program will start in January 2011, with invitation letters to be sent to all Multi-Family CUS water accounts with 16 units or more

- **A complex owner/manager will:**
  - Submit an application to UCS
  - Submit the total number of apartment units for each account as well as historical occupancy numbers for each month in calendar year 2010
  - Ensure that all water/wastewater bills are paid by the due date
  - Provide monthly occupancy detail during the program duration

- **The UCS website will include:**
  - Conservation program details
  - The application
  - “Water Saving Tips” flyers for both tenants and complex management
Multi-Family Water Conservation Rebate Program

The four six-month conservation periods within two calendar years:
- Second six-month conservation period July 1, 2011 – December 31, 2011
- Fourth six-month conservation period July 1, 2012 – December 31, 2012

The baseline periods are:
- Baseline Two: six-month conservation period July 1, 2010 – December 31, 2010
Multi-Family Water Conservation Rebate Program

Depending on the reduction of usage when comparing the six-month periods to the baseline periods, properties may be eligible for the following:

- 5% conservation goal = $10.00 per occupied unit for every six months based upon achieved water conservation
- 10% conservation goal = $13.00 per occupied unit for every six month period based upon achieved water conservation
- 15% conservation goal = $15.00 per occupied unit for every six month period based upon achieved water conservation
- 25% or more conservation goal = $25.00 per occupied unit for every six month period based upon achieved water conservation
Other Notes:

- If a qualifying customer fails to meet a minimum of 5% conservation goal in any of the four six month periods, the Multi-Family Account may still qualify during future rebate periods.