

Our Rising Water Cost

We can't afford to ignore this fact



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When measured as a percentage of household income, the U.S. pays less for water/wastewater bills than other developed countries. Because of this, the public has been led to believe that water is readily available and cheap. We need to fundamentally shift thinking in this area to meet our essential infrastructure needs. Pricing that recovers the costs of building, operating, and maintaining a system is absolutely essential to achieving sustainability. Drinking water and wastewater utilities must be able to price water to reflect the full costs of treatment and delivery. Much of the drinking water and wastewater infrastructure in the US was built 30 years following World War II. We have to face the fact that this infrastructure has already or will very soon reach its expected life span. Many systems we work with every day haven't had the foresight to prepare themselves for this reality financially. We will have to pull our necks out of the sand and start to prepare ourselves for our future infrastructure needs now or face the possibility of not being able to provide safe drinking water to our children and future generations. Many of the things we enjoy today in our lives we could survive without, however without water we would perish. Some things we must do will cost a lot of money while there are some things we can do to that can actually save us money both now and in the future.

Techniques for Recognizing and Implementing the Full Cost of Providing Service

Full cost pricing is generally interpreted to mean factoring all costs (past, present, and future operations, maintenance, and capital costs) into prices and rate structures. Prices signal value to consumers and help determine whether consumers use water efficiently. If prices are too low, consumers will use too much water. Economists have long advocated the "polluter pays" principle - the idea that the polluter or consumer should pay for any environmental damage or resource depletion created. While this principle is generally accepted in the classroom, its application in the real world is much harder to find. EPA has produced numerous documents on pricing and the relationship between pricing and water conservation for water and wastewater systems. Visit the Office of Water Online Publications page for information on how to order these documents.

Water Efficiency

Improved water efficiency can reduce the strain on aging water and wastewater utilities and can sometimes delay or even eliminate the need for costly new construction to expand system capacity. The U.S. Environmental Protection Agency (EPA) has developed a Market Enhancement Program for water efficient products and services in the residential and commercial sectors called WaterSense. WaterSense, a partnership program sponsored by the U.S. Environmental Protection Agency, makes it easy for Americans to save water and protect the environment. Look for the WaterSense label to choose quality, water-efficient products. Many products are available, and don't require a change in your lifestyle. Remember, if we are not wasting our water we don't have to pay for the cost of making it and delivering it to our homes.

Now is the time for us, as water professionals, to get the word out to our community leaders and the public. They must begin to understand all the things that take place behind the scenes that lead to the safe, never-ending flow of potable water that appears when they open that valve in their sinks and bathrooms. It seems so crazy to me that we have to convince people who will pay \$2.00 for a 12 or 16 ounce bottle of water, that they have to start putting away funds to enable us to replace water mains that deliver, 24/7, gallons of water for just pennies per gallon. 💧

