

WaterBC™ News

A Newsletter for Community Water Suppliers in B.C.

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"Liability
coverage is
significantly
better than we
had previously and costs us 33%
less. Wayne
Fiddler at Capri
has been just
super to deal
with," says Len
Luders of Dutch
Creek Utility
Company

For More Information:

www.SustainIS.org

Official website of the Sustainable Infrastructure Society. Visit this site to learn more about the Sustainable Infrastructure Society, its mandate, projects, and goals.

See Overleaf

You Asked for Liability Insurance

By Jean-Pierre Joly

The SIS-sponsored liability insurance program has been in effect since October 2006. There are currently over a dozen applicants who have signed up, and dozens more are awaiting confirmation of coverage from the insurance agents.

A variety of community water suppliers have applied ranging from small water users' communities with 9 connections to large improvement districts serving over 1650 connections. So far, only one water supplier was found not to qualify for the program.

The water supplier reported savings around \$2,000.

One water supplier, a regulated utility serving 60 connections, purchased liability insurance from Capri Insurance, an SIS industry partner. The water supplier reported a total annual savings around \$2,000; they saved 33% from the policy previously held.

You may already have an existing policy in force. Even so, you can still apply for the SIS sponsored insurance to find out how much your premium will be. You have no obligation to proceed, and you may be pleasantly surprised!

Rate Setting Challenges

By Vernon Rogers

Avoid Rate Shock! Get started now!

Canadian water rates are among the lowest of the industrialized countries; and British Columbia has some of the lowest rates in Canada. Many community water suppliers in BC may be undercharging for water. Consistent undercharging for water typically leads to financial problems. To fix the problem, some water suppliers are forced to suddenly introduce huge increases in rates. In many jurisdictions in North America customers have experienced major rate shock!

The rate review process can be challenging. Proper planning and the use of experienced advice can help immensely. The quality of the results depends on a number of factors, one of which is information about the condition of your water system.

Continued on page 2

SCADA Project

By Jean-Pierre Joly

How can you enhance the monitoring and operation of your system? How can you more effectively meet regulatory requirements? How can you plan for the future?

The answer may in part be through use of SCADA technology. SCADA stands for System Control and Data Acquisition. A SCADA system combines instrumentation, communications and computer technology to enable you to continuously monitor your water system. It is an invaluable tool: one that has been used for many years by larger municipal water systems.

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Visit

www.GreenBC.org

GreenBC.org is affiliated with the Sustainable Infrastructure Society (SIS). Our directory of suppliers and consultants is conveniently available online. Managers of water supply organizations and other industry members frequently use the directory when they are seeking products and services.

Green BC.org

Add your company to our online directory now!

Contact Us:

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Rate Setting (from page 1)

Effective asset management means you must know the age and condition of your pipes, pumps and other parts of your system. It is good practice to maintain an inventory of tangible assets including a schedule of condition which indicates when an asset should be replaced. In this way you can plan for future expenditure on replacement. You may choose to adjust rates to provide money for a replacement reserve fund.

There are other reasons for regular rate reviews. When you review rates you need to know how changes to the current rate structure will affect billings, consumption, and revenues. The complex nature of rates and charges can make it difficult to calculate and predict the impacts.

Effective communication with customers is another critical aspect of rate setting. People generally undervalue water, which compounds the challenge of getting rate increases accepted. It is good practice for water suppliers to build credibility through structured customer communications programs.

These challenges are not insurmountable. SIS can provide access to

Why do you need to review rates?

- ☐ Have you delayed rate increases for more than 5 years?
- ☐ Have your rate increases failed to keep up with inflation?
- ☐ Have you updated your rate model in the past two years?
- □ Are your revenues inadequate?
- ☐ Are different customer groups being treated inequitably?
- ☐ Is your infrastructure renewal fund inadequate?
- ☐ Do you lack incentives for water conservation?

If you answered "Yes" to one or more questions, you may benefit from a rate review.

resources for community water suppliers in reviewing and updating water rates. Our contact information is shown opposite.

SCADA (from page 1)

The Sustainable Infrastructure Society (SIS) is sponsoring a SCADA pilot project. The project explores the innovative application of SCADA technology for the benefit of community water suppliers in BC.

The first phase of the pilot project, completed in

November, involved several community water suppliers on Vancouver Island. The SIS worked with a SCADA specialist to review and assess the needs of the participating water suppliers, and to make preliminary budget estimates. This work revealed that there is a clear need for SCADA technology that is affordable by smaller water systems.

SIS believes there is an opportunity for introducing economies of scale in application of SCADA technology. As is the case with SIS sponsored liability insurance, we believe costs may be reduced using the power of group purchasing.

The next phase of the pilot project will explore both opportunities to manage costs and innovative ways to fund the SCADA projects. You may have the opportunity to be one of the earliest participants as we create access to affordable and effective SCADA for community water suppliers. If you are interested in the benefits of SCADA please call or send us an email. The greater the interest the more likely it is that affordable solutions can be found.

About the Sustainable Infrastructure Society

The Sustainable Infrastructure Society (SIS) was incorporated in 2005 as a non-profit society in British Columbia. Our advisory board includes representatives from the key BC water organizations: BCWWA, CWSA, GWABC, SWUABC and WSABC. Our Mandate includes the development and application of technology and resources for building the managerial, financial, and operational capacity of community water suppliers in B.C.