



## WATER BILL IMPROVEMENT PLAN FREQUENTLY ASKED QUESTIONS

### **MAYOR JOHN WHITMIRE'S PATH TO IMMEDIATE AND LASTING WATER BILL IMPROVEMENTS – RESTORING PUBLIC TRUST THROUGH TRANSPARENCY**

The City of Houston is laying out how it plans to prevent the community from receiving inaccurate water bills.

During this time, Houston Public Works will undergo massive changes.

#### **WHAT ARE THE IMMEDIATE CHANGES?**

Starting April 1<sup>st</sup>, single-family residential customers will have set usage calculated, which will be reflected in their May bill. This *set usage* will provide customers with consistent water bills while Houston Public Works makes necessary improvements to ensure the accuracy of each customer's monthly water usage readings. The goal is to restore public trust in the water billing system and improve transparency. Customers will continue to receive set usage bills until they receive an upgraded remote reading device **OR** confirmation that their current device is working and providing accurate usage readings to the billing system.

#### **WHAT IS A REMOTE READING DEVICE?**

A remote reading device is an electronic transmitting device attached to a water meter register that sends a signal back to the city displaying the amount of water that passes through the meter. The City of Houston has experienced an increase in remote reading devices that are no longer functioning (due to age, damage, extreme weather conditions, etc.)

#### **WHY AM I RECEIVING A SET USAGE ON MY BILL?**

Providing single-family residential customers with a set usage on their bill will help them know what to expect when paying their bills while Houston Public Works ramps up the deployment and installation of remote reading devices. This will allow Houston Public Works the time it needs to ensure the accuracy of a customer's actual usage readings. A large number of remote reading devices no longer function as intended and need to be upgraded. Receiving a new remote reading device will provide the city with more accurate readings of how much water a customer is using.

#### **HOW CAN I TRUST THE NEW REMOTE READING DEVICE?**

Houston Public Works will verify the accuracy of the readings **before** customers are transitioned to an actual usage water bill. More reliable readings will ensure customers receive more accurate water bills. New remote reading devices have an accuracy rate of 98.5% or higher.

#### **HOW LONG WILL I RECEIVE A SET USAGE ON MY WATER BILL?**

Single-family residential customers will receive set usage bills until you receive an upgraded remote reading device\*. Once your remote reading device has been verified to be transmitting accurate water usage, you will receive a 60-day notice before you transition back to actual usage bills.

\*Some customers already have a functioning remote reading device on their meter. Those customers may return to actual usage bills as early as August 2024.

#### **WHAT IS MY SET USAGE?**

Houston Public Works will send a letter notifying all single-family residential customers what their set usage will be. This set usage will continue to be reflected on their bill until they receive an updated remote reading device or the current device is transmitting and providing accurate usage readings.

The City created a dashboard for all customers to learn more about the status of their remote read device at [improvewaterbills.org](https://improvewaterbills.org).

Set usage bills will also reflect the April rate increase mandated by City Ordinance No. 2021-515. \* Customers can find the rate tables and calculate their actual usage bills at [houstonwaterbills.org](https://houstonwaterbills.org).

- The rate increase adopted the *Water & Wastewater Cost of Service Rate Study*, which allows for new annual rates to be applied every year over a five-year period on April 1.

### **HOW IS MY SET USAGE DETERMINED?**

The City of Houston determines the set usage for single-family residential customers based on the age of their account.

- **For customers with accounts older than one year** (created before March 1, 2023), the set usage is calculated by using the average water consumption available on the account, up to 36 months. To benefit the customer, this calculation excludes usage during the drought (June – December 2023), freeze (February and March 2021), and potential water leaks on a customer's property.
- **For customers with accounts less than one year old** (created after March 1, 2023), the set usage of 3,000 gallons per month will be assigned based on the average consumption for new Houston water accounts.

### **WHAT IF I USE LESS WATER THAN MY SET USAGE AMOUNT?**

If a customer uses less water than their assigned set usage, the City of Houston will bill the customer based on their lower, actual water consumption based upon a functioning remote reading device.

### **WHAT IF I USE MORE WATER THAN MY SET USAGE AMOUNT?**

If a customer uses more water than their assigned set usage, the City of Houston will NOT charge the customer for water usage over the set amount.

### **WHAT IF I USE LESS WATER THAN MY SET USAGE AMOUNT BUT I DO NOT HAVE A FUNCTIONING REMOTE READING DEVICE?**

If a customer uses less water than their set usage but does not have a functioning remote reading device, the City of Houston will provide a credit to the customer's water bill once their remote read device is replaced and verified.

### **I THINK MY SET USAGE IS TOO HIGH. HOW DO I KNOW IT'S CORRECT?**

Customers can request more information about their set usage through an upgraded resolution process. Customer service representatives will ask questions to determine the standard water usage for the account.

### **WHAT ABOUT MY WATER BILLS FROM USAGE BEFORE APRIL 1, 2024?**

Single-family residential customers who used more than their set usage between January 16, 2024 – March 2024 will receive what's called a "freeze credit" due to a rise in water leaks following the January

2024 freeze. Customers who qualify should see these credits on their late March and/or April 2024 water bills.

### **HOW DO I KNOW IF MY REMOTE READING DEVICE IS WORKING?**

Houston Public Works is creating a dashboard for all customers to learn more about their accounts at [improvethewaterbills.org](https://improvethewaterbills.org). This dashboard will allow single-family residential customers to check to see if their remote reading device is functioning.

- Whether your device is functioning or not, you will receive a water bill with your set usage until the device can be upgraded or your current device can be verified as accurate. Houston Public Works is working to make sure single-family residential customers have functioning remote reading devices by the end of December 2024.

### **HOW CAN I TRACK MY WATER USAGE?**

Customers can create an online account at [houstonwaterbills.org](https://houstonwaterbills.org). This will allow them to choose how they want to be notified of high-water usage on their property. The account holder must set the threshold for when they will receive notifications of a possible leak. Once an account is registered, a customer can choose between the following options:

- High usage during the current billing cycle
- Daily usage alert
- Multi-day usage alert
- Vacation alert (notification of high usage when an account holder is out of town)

### **WHY ISN'T SET USAGE AVAILABLE FOR ALL WATER CUSTOMERS?**

Multi-family and commercial customers have less variability in their water usage throughout the year and would not significantly benefit from moving to set usage during the replacements of remote reading devices. Single-family residential customers represent the majority of customers impacted by failing remote reading devices and have substantial variability in water usage month to month, from summer to winter. The set usage allows Houston Public Works to provide more accurate water bills, without estimated bills, while also speeding up the replacement of failing remote reading devices.

### **WILL THE CITY CONTINUE TO ESTIMATE MY BILL?**

Houston Public Works is ramping up the deployment of remote reading devices. This will eliminate the need for the city to estimate a customer's water bill. A functioning remote reading device sends a customer's water usage to the city similar to how a cell phone sends a text message.

Customers will remain on the set usage billing until they have a functioning remote reading device. Once the city confirms the remote reading device is functioning and transmitting actual usage, the customer will be transitioned back to their actual usage water bill. The city will notify customers **60 days** before transitioning the customer to an actual usage bill.

Please ensure you have selected **HOW** you want to receive notifications from the City of Houston related to your water account. Customers can create an online account at [houstonwaterbills.org](https://houstonwaterbills.org).

### **MY ACTUAL USAGE BILL IS HIGH. WHY?**

Houston Public Works will provide a 60-day notification to all single-family residential customers before any changes are made to your account that will impact your bill. Customers may notice that their bill is higher than previous bills. Upgraded remote reading devices provide accurate readings of a customer's usage.

All water bills issued after April 1<sup>st</sup> will reflect the rate increase mandated by City Ordinance No. 2021-515. \* Customers can calculate their actual usage bills at [houstonwaterbills.org](https://houstonwaterbills.org).

- The rate increase adopted the *Water & Wastewater Cost of Service Rate Study*, which allows for new annual rates to be applied every year over a five-year period on April 1<sup>st</sup>.

### WHAT ARE THESE OTHER CHARGES ON MY BILL?

- **Base Water and Wastewater Charges** –charges pay for water meter maintenance.
- **Residential Water Consumption Charge** – charge based on the amount of water that registers through the meter.
- **Residential Sewer Charge** - charge based on the amount of water that registers through the meter which also must be processed through the wastewater system.
- **Solid Waste Cart Fee** – charges for maintenance and distribution of trash and recycling bins (charge set by Solid Waste Department).
- **TCEQ Fee** - The Texas Commission on Environmental Quality implements a fee to each utility based on the amount of water meters installed at a property.
- **Drainage Penalty** – penalty if a customer does not pay the drainage fee by the due date.
- **Utility Penalty** – penalty if a customer does not pay the water and/or wastewater charges by the due date.

### HOW IS CUSTOMER SERVICE IMPROVING?

Houston Public Works will make additional changes throughout the year to enhance the customer service experience through a holistic approach.

- Expand in-person customer service availability. Customers can now schedule in-person appointments to ask questions about their bill. These appointments will take place on Tuesdays, Wednesdays and Thursdays between 10 am –3 pm at 4200 Leeland (Houston Public Works Water Customer Service Office). There is also a virtual Microsoft Teams option. Customers can schedule appoints at [houstonwaterbills.org](https://houstonwaterbills.org) or by calling 713.371.1400.
- Replace failing meter remote reading devices. This will ensure a customer's usage readings submitted to the city are accurate; will eliminate the need for the city to estimate bills and perform manual readings.
- Streamline relief requests into one centralized form.
- Redesign utility bill to make it easier for customers to understand.
- Develop of a leak detection feature for private water lines to notify single-family residential customers of leaks on their property.
- Implement triggers to pause the auto-draft payment of a customer's bill when it exceeds a certain threshold.
- On March 20, 2024, City Council voted to repeal City Ordinance [47-72](#) to make it easier to provide accurate adjustments to customer accounts.

### HOW MUCH WILL THESE IMPROVEMENTS COST THE CITY OF HOUSTON?

The cost of parts and labor will be slightly less than \$35 million. These costs will be absorbed in this fiscal year's budget, due to the accelerated implementation of the plan.

The estimated impact to revenue is just under \$37 million factoring in the impact of set usage compared to the adopted revenue budget this year.

The chart below represents cost estimates to purchase the remote reading devices (which include the purchase of registers) and the impact of additional labor needed to replace aging remote reading devices in a faster timeline.

<b>Water Bill Improvement Plan Fiscal Impact*</b>	<b>Amount</b>
Cost of Registers (125,000 @ \$84)	\$10,500,000
RRD/Register Install Labor (Workquest)	\$1,188,000
RRD/Register Install Labor (Bermex)	\$2,100,000
Endpoints/Sensus Radios (125,000 @ \$59.95)	\$7,493,750
COH FTE Water Bill Improvement Effort	\$7,559,214
Additional RRDs (estimated 25,000 @ \$59.95)**	\$1,498,750
Additional Registers (estimated 25,000 @ \$84)**	\$2,100,000
Additional COH FTE Water Bill Improvement Effort **	\$2,169,443
<b>Total Est. Fiscal Impact (Revenue Impact and Accelerated Costs)</b>	<b>\$34,609,157</b>

\* For full deployment schedule

\*\* Anticipated effort for failures during 2024