

Frequently Asked Questions

about Honolulu Board of Water Supply's Proposed Changes to Water Rates and Efforts to Seek Public Input

To increase openness and transparency in its rate setting process, the Board of Water Supply (BWS) is seeking public input regarding proposed changes to its water rates and rate structure. Prior to the BWS Board of Directors adopting the proposed rates, the BWS is reaching out to the community for broader public ideas and input.

The proposed changes to water rates and rate structure can be viewed on the BWS's website at www.boardofwatersupply.com/waterrates.

1. *Why does the BWS need to make changes to its rates?*

Over the past 4 years, the Board of Water Supply (BWS) conducted studies and intensive analysis, and prepared a Water Master Plan, a 30-year Infrastructure Investment Plan, and a Long-Range Financial Plan. It has also completed a comprehensive review of our system-wide water rates.

As a result of this process, the BWS is proposing changes to its water rates to:

- Increase investments in Oahu's water infrastructure,
- Reduce water main breaks,
- Encourage conservation,
- Provide sufficient funding for disaster recovery, and
- More equitably distribute rates and charges among types of customers.

The draft water rate proposal includes schedules of monthly charges, consumption charges, fire meter standby charges, and fee subsidies to support affordable, homeless housing incentives, and fire sprinklers retrofit of existing high-rise residential buildings. The BWS also proposes to continue subsidized agricultural rates for qualified farmers.

The rate proposal reflects input from a community advisory group with representation throughout Oahu, meetings with diverse island interests, as well as multiple customer surveys and focus groups.

2. *What changes are the BWS proposing to its water rate structure?*

All of these changes are intended to more equitably recover BWS's costs, to provide water service, from each type of customer – so everyone pays their fair share. The proposed rate changes will vary by customer type.

- Single family residential customers (stand-alone households and duplexes) will see the largest increase. As a group, these customers currently pay only 88% of the costs to serve them, leaving 12% to be subsidized by other rate-payer classes.
- Multi-unit residential customers (triplexes up to high-rise complexes) will see smaller increases as rates are adjusted over time to eliminate their subsidy to single family customers.
- The billing charge currently assessed to all customers at a flat rate is proposed to become a monthly customer charge that varies by meter size, to more fairly distribute costs so customers with larger meters pay more. Most residences have smaller meters.
- Customers with private fire protection systems will no longer pay for incidental water use, but instead will pay a nominal monthly fire meter standby charge.

- A new affordability water-use tier will be added to cover “Essential Needs” for basic water uses such as drinking, cooking, and personal hygiene. The tiers are being adjusted to encourage conservation.

3. How will these changes affect my water bill?

How the proposed changes will specifically affect your water bill depends on your customer type. All of the proposed changes are available for viewing on the BWS website at: www.boardofwatersupply.com/waterrates.

4. How can the public voice an opinion on the proposed rate increase?

BWS is holding four public hearings on the proposed water rate changes, in addition to reaching out through the neighborhood board system, the community advisory group, and community and civic organizations. The locations and dates of public hearings, all of which are scheduled for 6:30 to 8:30 p.m., are:

Honolulu - Thursday, April 26, Mission Memorial Auditorium, 550 South King Street, Honolulu, HI 96813

Kapolei – Monday, May 14, Kapolei Hale, Ground Floor Conference Room, 1000 Uluohia Street, Kapolei, HI 96707

Kaneohe – Tuesday, May 15, Benjamin Parker Elementary School Cafeteria, 45-259 Waikalua Road, Kaneohe, HI 96744

Mililani – Thursday, May 24, Mililani Recreation Center #5, 95-1101 Ainamakua Drive, Mililani Town, HI 96789

IN ADDITION, people are encouraged to go to the BWS website at <http://www.boardofwatersupply.com> for more details and to share their ideas. They can call the BWS at (808) 748-5041, email ContactUs@hbws.org, or send us a message on Twitter at [@BWSHonolulu](https://twitter.com/BWSHonolulu) or Facebook at <http://www.facebook.com/BWSHonolulu>.

5. When did BWS last increase its rates?

BWS's last rate increase took effect July 1, 2015, when the system-wide rate was increased by approximately 9.65 percent.

6. Will the proposed water rates fund sewer projects?

No, the funds generated by water rates are dedicated to funding capital and operation costs for the water system only. Sewer services are provided by Wastewater Management under the City Department of Environmental Services.

For more information on the BWS and the proposed changes to water rates, please go to the BWS website at www.boardofwatersupply.com/waterrates or contact the BWS Communications Office, at 748-5041, or email ContactUs@hbws.org.