

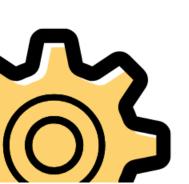
# WATER RESILIENCE IN GOOD TIMES & BAD

0

An event series exploring water resilience, now and post-COVID-19

#### WATER AFFORDABILITY IN NORTHEASTERN ILLINOIS

Trends, policies, and a path forward



MAY 12, 2020 TUESDAY @ 3:30 PM CST







# WATER RESILIENCE IN GOOD TIMES & BAD



An event series exploring water resilience, now and post-COVID-19

#### **ESSENTIAL INVESTMENT**

Why water infrastructure should be part of stimulus and economic recovery

MAY 5, 2020 TUESDAY @ 3:30 PM CST

## WATER AFFORDABILITY IN NORTHEASTERN ILLINOIS

Trends, policies, and a path forward

MAY 12, 2020 TUESDAY @ 3:30 PM CST

### **CLEAN, SAFE, AND ABUNDANT**

Solutions for stormwater and water quality

MAY 19, 2020 TUESDAY @ 3:30 PM CST







## Water Affordability: Rates and Remedies

Josh Ellis, Metropolitan Planning Council, @MPCJosh, @metroplanners

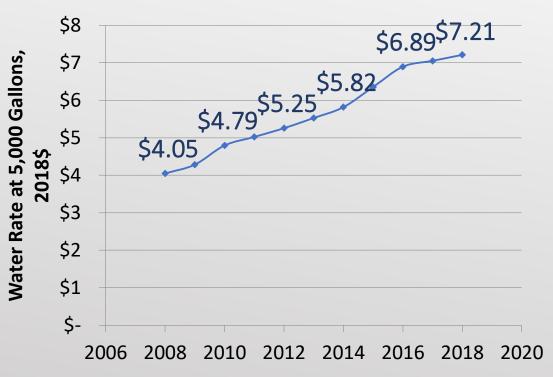
Margaret Schneemann, Illinois-Indiana Sea Grant

Caroline Pakenham, Elevate Energy, @CCarolineWater, @elevate\_energy

Danielle Gallet, Metropolitan Planning Council
Dan Cooper, Metropolitan Planning Council
Margaret Garascia, Elevate Energy
Olivia Tse, Elevate Energy

## Issue Background

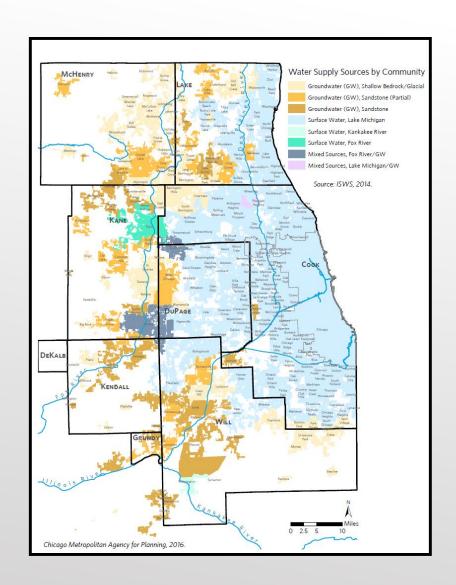
Northeastern Illinois Escalating Residential Water Rates 2000 - 2018



- Replacement era
- Supply constraints
- Source water pollution
- Need to price water appropriately

## Study Geography

- 7 counties
- 284 communities
  - Data available for 215
- Community disparities



## Research Objectives

- 1. Assess what today's best methodologies for determining water affordability are;
- 2. analyze and identify where in the northeastern Illinois region water affordability is a concern; and
- 3. jump start regional dialog on best practices in addressing affordability for those that need it most.

## Method Summary

## Water affordability measurements used in this analysis:

- 1. Percent median household income (MHI)
- 2. Percent of mean household income at the lowest earning quintile
- 3. Water affordability matrix
- 4. Number o
- 5. Online das

			Percent of households in area earning below 80% AMI			
			>=50%	25-49%	<25%	
			High	Medium	Low	
Percent household income for lowest quintile	Greater than 4.5%	High	High	Medium- High	Medium- High	!
	2.25- 4.5%	Medium	Medium- High	Medium	Medium- Low	-
	Less than 2.25%	Low	Medium- High	Medium- Low	Low	

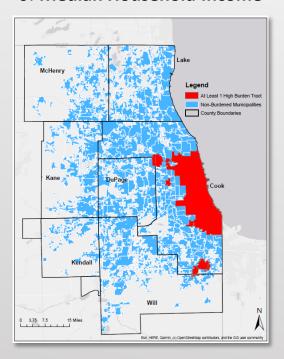
## Considerations for Methods Selected

- Use of income quintiles
- Use of smaller geographic units (census tracts)
- Express water burden in more intuitive terms
- Comparison to other socio-economic factors

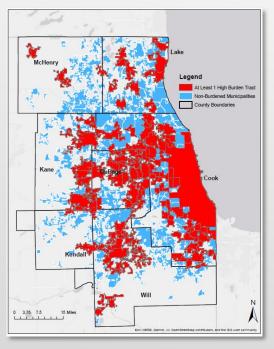
Data sources: ILSG Rate survey, U.S. Census Bureau ACS 2016 5-year estimates B19013, ACS 2016 5-year estimates B19081

## Water Burden by Census Tract

Municipalities with at least one high burdened tract using 4.5% threshold of **Median Household Income** 



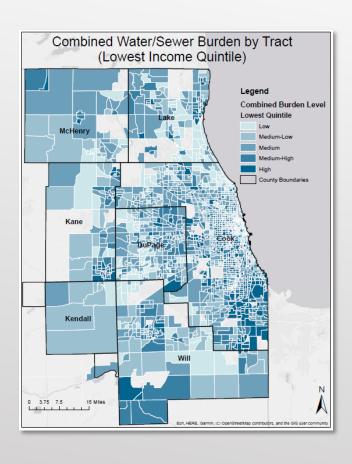
Municipalities with at least one high burden tract for **lowest quintile earners** 



## Water Burden Comparison

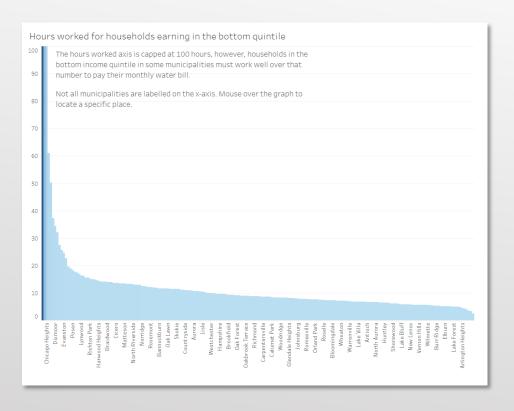
	Lowest Income Quintile Threshold	MHI Threshold
Mean Tract % Combined Expenditure	9.59%	1.06%
Median Tract % Combined Expenditure	3.60%	0.91%
Tract Burden Percent Range	0.58% - 100%	0.16% - 5.52%
Number of High Burdened Tracts (Over 4.5%)	682	4
Percent of Tracts That Are High Burdened	36.47%	< 1.00%
Municipalities with at Least One High Burdened Tract	109	4
Percent of Municipalities with at Least One High Burdened Tract	51.66%	1.90%

## Water Matrix Burden Levels for Census Tracts

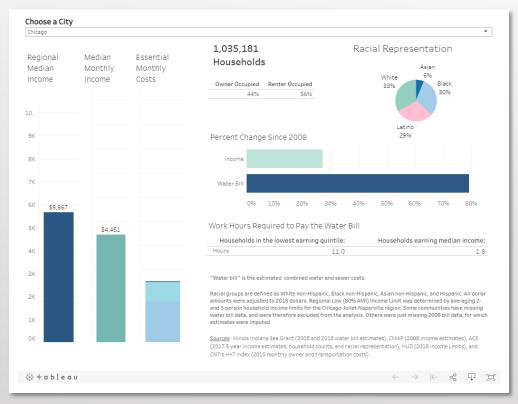


## Hours Worked Analysis

 The lowest quintile income earners in 72 municipalities have to work more than 8 hours to afford their combined water/sewer bill



## Water Affordability Dashboard Tool



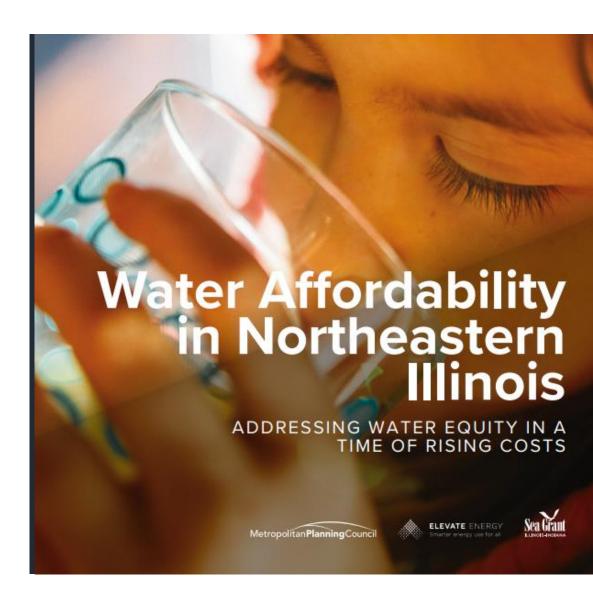
metroplanning.org/waterdashboard

# Community Typologies and Corresponding Water Affordability Solutions

- Foundational actions for all communities
- Communities with high water costs/bill
- Communities facing an overarching low-income issue
- Communities with large hard-to-reach populations

## Water Affordability Resources

metroplanning.org/WaterAffordability



# Water Shutoffs and Reconnections

What we know, don't know, and where to go from here



## Water Access in the United States



- Millions lack access
- Water access predictors: race and economic status
- Water access backsliding in some parts of the country
- Lack of access = public health crisis

Source: 2019 Dig Deep and US Water Alliance Study

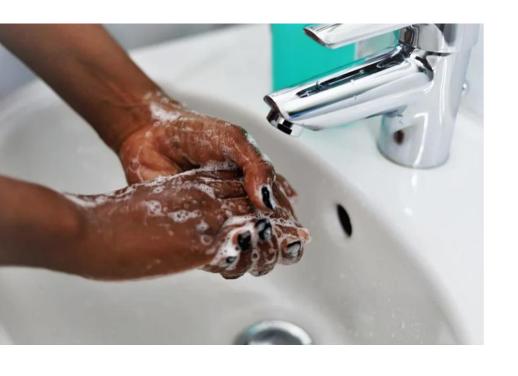
## Water Shutoffs and Reconnections – COVID 19



- More than a dozen states suspending water shutoffs
- ICC COVID-19 Order
- Chicago issued moratorium in 2019
- ILAWWA Survey:
  - All utilities plan to abide by ICC order
  - 56% plan to reconnect

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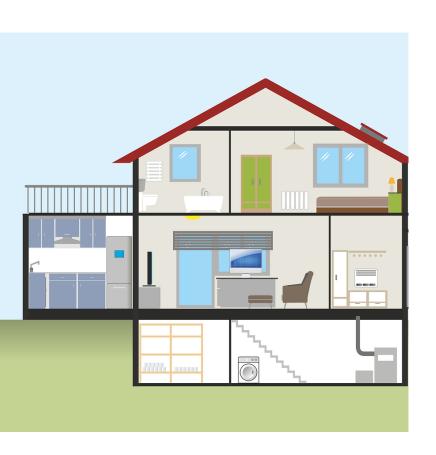
## Water Reconnections – Who needs access?



- Incomplete data on scope of problem
- Many non-metered customers
- Many undercounted
- Fear and hesitancy self identifying
- How can you manage what you don't know?

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## **Water Reconnections – Health and Safety**



- Are there leaks?
- Is the wastewater piping in tact?
- Are flushing protocols being followed?
- Concerns with heavy metals and organisms

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## Where do we go from here?



- What happens when moratoriums end?
- Need for immediate and long-term relief and affordability solutions
- Complete understanding of scope of problem
- Infrastructure upgrades

## **Contact information**

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## WATER AFFORDABILITY IN NE ILLINOIS

TRENDS, POLICIES, AND A PATH FORWARD

Jeremy Orr, Attorney

Natural Resources Defense Council

Safe Water Initiative

## **REGIONAL ACCESS & AFFORDABILITY**



- COVID Disparities
- Michigan
- Ohio
- Indiana
- ❖Post-COVID

## **NORTHEAST ILLINOIS**



- Water Rates
- Disparities in safe drinking water enforcement
- ❖ Poor Infrastructure
- Water Loss & Water Waste (inhome)
- ❖ Legal/Policy Barriers

## **ILLINOIS OPPORTUNITIES**

- State Study on Affordability
- Shutoff Moratoriums (ex. Chicago)
- Rate Restructuring and Incomebased Rates
- ❖ Assistance Programs
- Establish Local Funds
- Broad Investments in Water Infrastructure to drive down the cost



# Jeremy Orr, Attorney Natural Resources Defense Council Safe Water Initiative jorr@nrdc.org





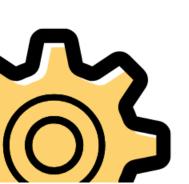
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