

QUARTERLY REPORT OF THE INDEPENDENT CONSUMER ADVOCATE
FOR THE METROPOLITAN DISTRICT COMMISSION

January-March , 2016

The Independent Consumer Advocate for the Metropolitan District Commission(ICA) was established by statute during the 2017 session of the General Assembly. The appointment was made in November, 2017 by the Office of Consumer Counsel. The legislation requires the posting of quarterly reports. This is the first such report.

The first task was to gain familiarity with basic operations of the Metropolitan District Commission(MDC or Commission). This was gained through a review of the MDC Ordinances, budget documents, meetings with staff, and attending meetings of the Commission and its various committees.

Time was also devoted to meeting with community groups, understanding the issues important to the various communities served, and reviewing the important issues in the water and sewer industry in Connecticut such as the proposed State Water Plan.

While there has been limited publicity of the existence of the ICA, there have been a variety of consumers who have sought its assistance in resolving various consumer issues, some of long standing, with the MDC.

Finally, the ICA has begun work on several issues of longer range impact on consumers of the MDC.

BASIC OPERATIONS

The MDC is a 90 year old organization providing water and sewer service in the Greater Hartford area. It is governed by a District Board of approximately 30 Commissioners appointed by member municipalities and state officials and has approximately 400 employees. Its budget is over \$160 million dollars annually. Its governing documents and organizational framework are detailed and lengthy, not surprising given its size and the tasks it has undertaken. Therefore, time devoted to understanding these complexities was substantial. That work has largely been completed. More time will need to be devoted to introducing the office to additional commissioners and municipal officials involved in water and sewer issues.

COMMUNITY GROUPS and ISSUES

The ICA has held 4 community meetings during this quarter. These meetings included groups of citizens such as Save Our Water, senior groups, and community organizations. These types of meetings are critical to understanding the issues important to consumers and to explaining the role of the ICA and the assistance which can (and cannot)be provided. For example, the Operation Fuel program to assist consumers in paying water bills(discussed below)grew out of comments made at one of the community meetings.

CONSUMER ISSUES

Approximately 15 consumers have raised individual consumer issues with the ICA. These issues are wide ranging: high bill complaints, difficulties in reaching MDC personnel, flooding caused by broken mains, incorrect

billing, and maintenance of reservoir lands. Some of the complaints have been well founded and MDC has been persuaded to take corrective action. Some required explanation of how bills are computed. Others are still pending. It is anticipated that this work will continue and is likely to increase as more consumers become aware of the office. It is important to note that while some of these issues raised by consumers are unique to that individual (e.g. flooding caused by broken main), others signal a generic problem may exist (e.g. problems with electronic payment system). The latter present an opportunity to address an issue that may affect many more consumers.

LONG TERM ISSUES

The ICA continues to learn about the impact of longer term issues on consumers of the MDC and how they might be addressed. Several have already become evident.

As water and sewer rates continue to rise, consumers are increasingly challenged to pay their bills. This is especially true of consumers with limited incomes. As mentioned above, personnel from Operation Fuel, a well-known, decades old organization that has heretofore focused on assistance for heating bills, met with the ICA to see if Operation Fuel activities could be extended to water and sewer customers. ICA assisted Operation Fuel in presenting a proposal to the Commission. The MDC, after revision, has accepted the proposal and funded it for one year at \$50,000. The ICA essentially acted as a bridge between Operation Fuel and the MDC to bring about this result.

A second issue is the impact of necessary water and sewer improvements on water and sewer rates over the long term. The costs of the sewer system are being driven by the need to comply with Clean Water Act requirements. The cost of the water system are being driven by the need to make capital improvements to replace aging pipe and infrastructure. ICA has begun looking at these long term drivers to determine if the rate impact can be mitigated. For example, can capital funds, now largely provided by 20 year revenue and general obligation bonds, be provided by longer term bonds? Would such a shift provide savings to consumers? Are there other financing mechanisms? Can the capital program be modified to reduce costs? It is anticipated that additional time will be spent on these longer term issues in the future.

CONCLUSION

The ICA has made a good start on establishing the office and making itself known in the community. It is developing its advocacy approach on behalf of consumers in accordance with the enabling legislation. It should be noted that by and large, the MDC, its staff and commissioners, have reached out to the ICA and treated it cordially, cooperatively, and professionally. The ICA anticipates that cooperation continuing.

Respectfully Submitted,

Independent Consumer Advocate

By David Silverstone