

QUARTERLY REPORT OF THE INDEPENDENT CONSUMER ADVOCATE

APRIL-JUNE, 2021

Activities this quarter ranged broadly from individual customer issues to a series of questions raised by MDC commissioners and management regarding positions of the Advocate on a variety of policies. These were in addition to various committee and district board meetings attended by the Advocate.

INDIVIDUAL CUSTOMER ISSUES

There were approximately eight customers who contacted the Advocate with complaints about high bills or other interactions with the MDC where the customer was not satisfied with the MDC response. These included requests for leak adjustments, complaints about restoration of a service line, enforcement of MDC easement terms around access to MDC property, complaints about cross connection inspection fees, and delay in sidewalk repairs. By and large these were effectively resolved.

RESPONSE TO COMMISSIONER AND STAFF QUESTIONS

At the April district board meeting, both commissioners and staff raised a series of questions regarding purported statements by the Advocate. These included questions about the ad valorem tax, fire protection costs and charges, the state primacy charge, as well as others. Many of these were ostensibly triggered by the Advocate's participation in a webinar in March sponsored by the Water Planning Council. The advocate responded to these questions, and corrected the 'record' where necessary. The answers were provided in April to the MDC and there has been no follow up by Commissioners or management.

GENERAL ACTIVITIES

The Advocate requested and received details regarding the model used to provide long range projections of the Clean Water Project Charge (CWPC). This charge is currently \$4.10/ccf and is projected to increase to over \$7.00 in the next several years. Understanding of this model will be critical to engaging meaningfully in the discussions about this charge and its increasing proportion of water bills. Currently the CWPC is assessed only to customers who are water and sewer customers and receive service in one of the MDC member towns. There appears to be a large number of water only customers in MDC member towns, water and/or sewer customers (direct or indirect) in non-member towns who are not subject to the CWPC but receive benefits from this project. Such customers include residential customers as well as rather large customers such as Bradley Airport. If these customers were subject to the CWPC the result would be smaller charges to the existing customers who bear all of the costs. How best to approach this issue will be addressed in the next quarter.

A related issue concerns the LTCP. If this plan is approved by the State, MDC intends to shift certain capital costs (e.g, pipe lining) from the capital improvement project list to the CWP list. The effect of

this shift will be a reduced ad valorem and other sewer charges from what they otherwise would have been and an increase in the CWPC from what it otherwise would have been. The Advocate raised this issue when the LTCP was first submitted to DEEP in 2018-2019. If that plan should be approved the Advocate intends to oppose this shift.

In addition, the Advocate has reviewed the recently completed financial model which management says will be used to project water and sewer rates in the future. This will likely become relevant when the 2022 water and sewer budget is considered.

Finally, much of the work of the MDC is conducted at the Committee level and therefore the Advocate has attended nearly all such meetings as well as district board meetings.

Respectfully Submitted,

The Independent Consumer Advocate

By David Silverstone