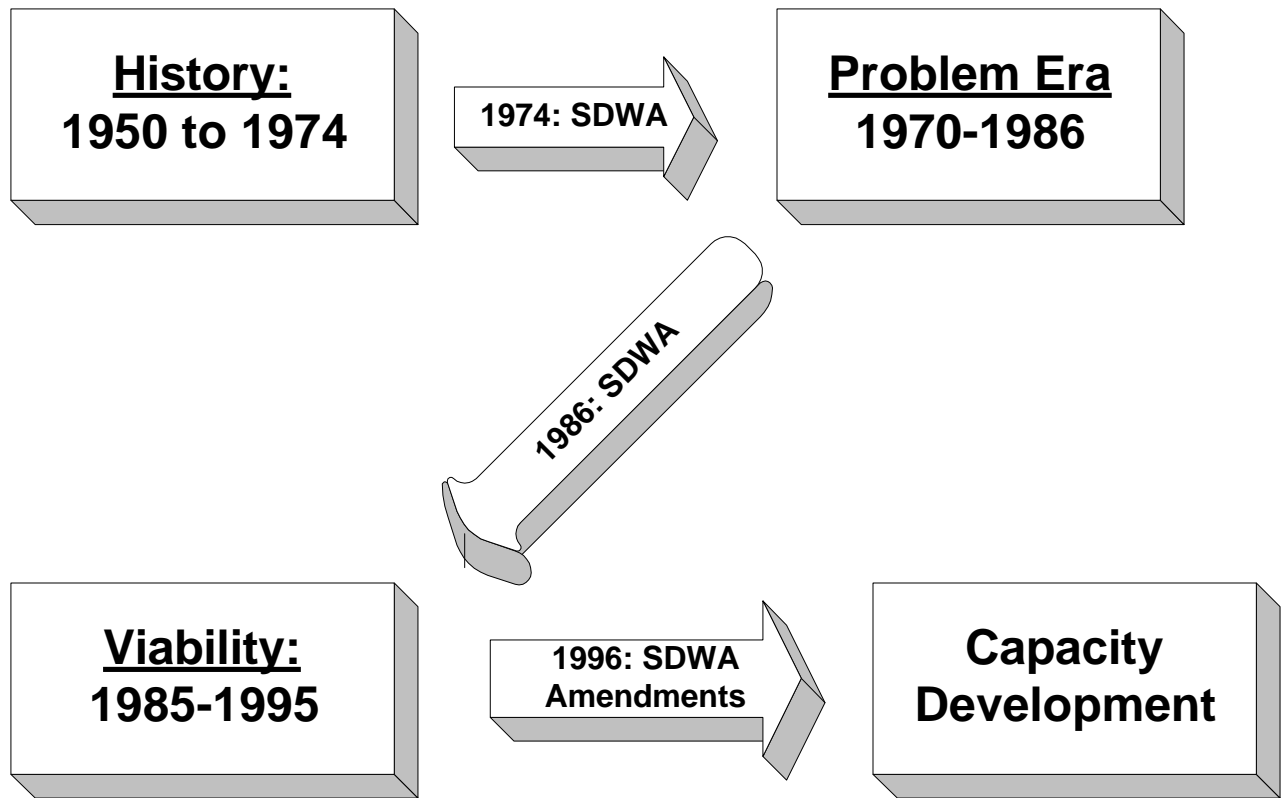


Capacity Development in the Water Industry

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Outline



A Bit of History ...

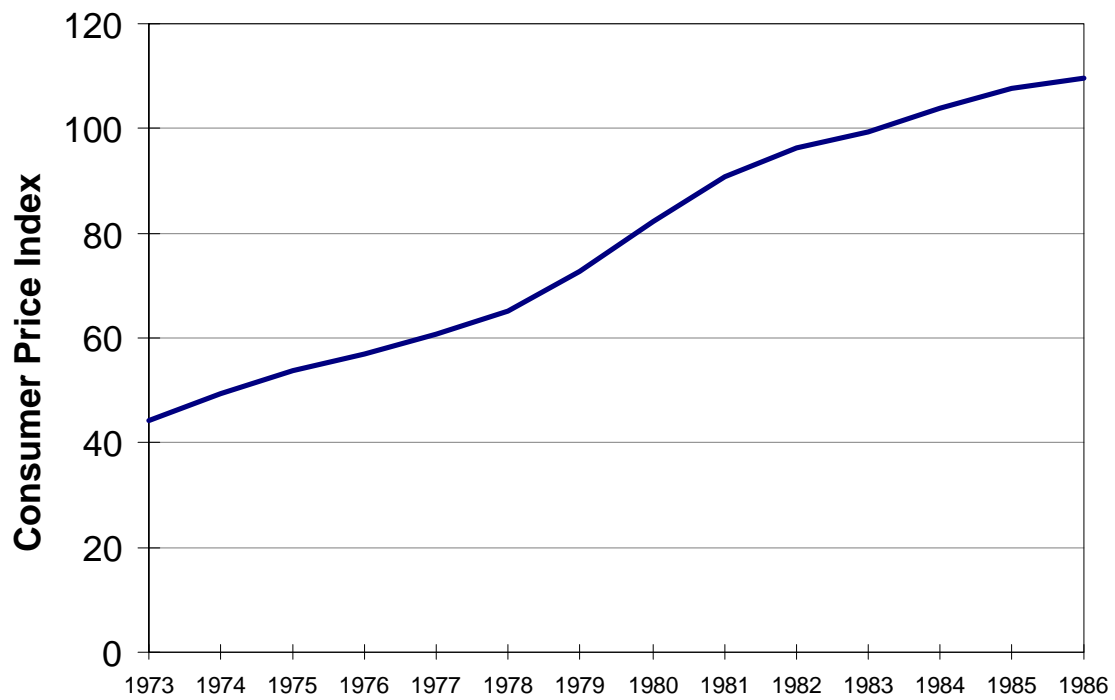
- ◆ 1950's to 1970's expansion
- ◆ Materials problems
- ◆ Inadequate management
- ◆ Lack of focus on water
- ◆ 1974 SDWA applies to all water systems

1970-1986:

The Problem Appears

- ◆ Systems age
- ◆ Development expands
- ◆ Dramatic cost increases due to inflation

Inflation: 1973-1986



SDWA of 1986

- ◆ Failure of self-regulation requires command and control
- ◆ Move from 7 requirements to more than 100
- ◆ Increased public attention
- ◆ Cost, risk, and complexity increase dramatically

1985-1995: Focus on Viability

“A viable water system is one that is self-sustaining and that has the commitment as well as the financial, managerial, and technical capabilities to reliably meet performance requirements on a long-term basis.”

Cromwell, *et al.*, “Small Water Systems at a Crossroads,” *JAWWA* May 1992

Viability Assessment

- ◆ Viability is an *answer*
- ◆ Measuring
- ◆ Scoring
- ◆ Ranking
- ◆ Pass = Viable = Good
- ◆ Fail = Non-viable = Bad

Today:

Capacity Development

- ◆ Capacity development is a *process*
- ◆ Identify strengths and weaknesses
- ◆ Build on strengths to improve weaknesses

States will need to ...

- ◆ Describe the *institutional, regulatory, financial, tax, or legal* factors that encourage or impair capacity development
- ◆ Help public water systems comply with regulations
- ◆ Encourage partnerships
- ◆ Help train and certify operators
- ◆ Measure progress
- ◆ Identify interested stakeholders

The Capacity Development Process

- ◆ A Policy Process
- ◆ An Informative Process
- ◆ An Oversight Process
- ◆ An Ongoing Process

A Policy Process

- ◆ Identify and work with stakeholders
- ◆ Identify barriers
- ◆ Identify resources
- ◆ Develop policies
- ◆ Develop strategies to ...
 - Educate
 - Regulate
 - Legislate

An Informative Process

- ◆ Collect and analyze data
- ◆ Develop benchmarks
- ◆ Develop indicators
- ◆ Highlight warning signs

An Oversight Process

- ◆ The Business Plan
 - New system permitting
 - Existing system surveillance
- ◆ Use in Certificate Cases
- ◆ Use in Rate Cases

Business Plans for Small Water Systems

“Every water utility should create a comprehensive plan that specifies how the utility will affordably meet present and future demands while complying with SDWA and other regulations. ... The plan should include information on future trends in the service area, population and growth, land use policies, water demands, and other factors on both a short-term and long-term basis spanning 5 to 20 years. In addition, like any good business, water systems should make customer satisfaction a priority in the planning process and should involve customers in developing their plans.”

– *Safe Water from Every Tap* (National Research Council 1997), pp. 161-62.

An Ongoing Process

- ◆ Monitoring and Updating
- ◆ Expanded Sanitary Surveys
- ◆ Benchmark Assessments
- ◆ Training and Technical Assistance
- ◆ Funding
- ◆ Certificate Cases
- ◆ Rate Case Reviews

The Challenge

- ◆ Figure out where you are
- ◆ Decide where you need to go
- ◆ Develop a plan to get there
- ◆ Implement the plan
- ◆ Assess your progress
- ◆ Do it all again!