



April 2018

Utility Rate Changes-Important Facts to Consider

Compared to other goods and services you purchase, utilities provided by NPU are a good value.



Electricity - For \$3.83 a day, the average Norwich household can use enough electricity to run their appliances, televisions, computers, lights, heaters, hair dryers, power tools, and charge cell phones. For comparison, the same household spends about \$6.33 on cable TV and \$8.20 on cell phone costs per day.



Natural Gas -For \$3.30 a day, the average Norwich household can use enough natural gas to heat their home, operate a gas stove, run a clothes dryer, and heat water for bathing, cooking and washing clothes. A similar size home heating with oil will pay at least \$3.52 a day, plus the added costs of using electricity for cooking and laundry.



Water - For \$1.67, a typical Norwich household can use 175 gallons of water a day. This allows for enough water to drink, cook with, bath, wash clothes, and flush toilets. That's less than a single bottle of water from a local convenience store. Even residents using wells pay about 20 cents a day for the electricity to operate their well pump, plus any costs associated with maintenance, testing, etc.



Wastewater (Sewer) - For about \$2.10 a day, Norwich households benefit from having a municipal system that removes wastewater and sewage from their property from dishwashers, washing machines, toilets, etc. This essential service eliminates the worries about pumping septic systems or worse, having to replace a failed system, which can cost as much as \$20,000.

RESIDENTIAL RATE ADJUSTMENTS



Proposed Percentage Increase

5.4%

9.1%

8.68%

6.54%

Approximate additional cost/month

or
\$6.24

or
\$9.49

or
\$4.34

or
\$4.13

What's driving NPU's proposed rate increases?



Electricity: Safety and Reliability. This includes substation improvements, AMI meters, materials and equipment (poles, transformers, switches, capacitors, generation improvement and increased tree trimming.) In a typical year, NPU responds to approximately 220 electrical outages and a typical residential customer is out of service 1.5 hours. This is 67% less than other communities in our region.



Natural Gas: Safety and Reliability. This includes the annual Distribution Integrity Management Program (DIMP); gas surveying, AMI meters and continued expansion of our natural gas customer base. Every year NPU replaces approximately 2% of the gas piping and responds to more than 3,600 natural gas service calls.



Water: Mandated Federal and State regulations. Complying with numerous regulations requires upgrades to our filtration plants, water main replacements and regional water supply interconnections. It also includes upgrading to AMI meters. NPU produces 4.5 million gallons of drinking water every day, maintains 190 miles of water mains and conducts over 13,000 water tests annually.



Wastewater (Sewer): Elimination of Combined Sewer Overflows (CSOs) and Long-term Control Plan. These projects are a result of the State of Connecticut Department of Energy and Environmental Protection (DEEP) enforcing the requirements of the EPA Federal Clean Water Act. Norwich currently has 14 CSOs. Additionally, NPU responds to over 300 sewer-related service calls each year.