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I wanted to take a moment to respond to a number of Indianapolis Water customers who have questions about estimated billing and explain what we're doing to lessen the impact of it.

Indianapolis Water is required to read meters every other month and estimate usage on the off months. We use the state's method for estimating bills, which requires us to calculate bills based on a rolling average of the customer's most recent 12 months of usage or the average of the past two months. We don't want to estimate bills more than we have to, but there are several reasons we must, beyond every other month.

Unlike many other utility meters, most water meters sit in an underground pit. Snow cover, temperatures harmful to our meter readers or weather that jeopardizes the closing of the pit can prevent us from reading the meter. Other times, we cannot access the meter because of dogs, parked cars or other obstructions. In December, to make our reading process more efficient, we followed up on an internal audit to resolve accounts our system flagged for repeated, failed attempts to read meters. Validating field data did result in a shift of labor away from some scheduled meter reads.

Customers comparing their March bills to the same period last year are seeing significant changes. Sewer bills are based on water usage and the Indianapolis Department of Public Works raised rates in January this year and last to pay for infrastructure improvements. There also was a water rate increase in May that will fund system upgrades, enhance water quality, system reliability and water supply, and invest in safety and security.

Last year's extremely hot, dry summer extended the watering season resulting in a drastic increase in individual water consumption for many customers. During a normal summer, customers typically use 21% more water, but in 2007, customers used 55% more water than during the winter. That impacts usage estimates, and we are reviewing the method approved by the state to determine if there is a better way to estimate bills, for example, comparing customers' seasonal usage to prepare estimates rather than averaging the whole year.

We understand the impact this can have on our customers and are taking a number of other steps to lessen it. Right now, we are training additional meter readers and working overtime to complete meter reads as quickly as possible. We anticipate regular read schedules will be completed this month. As always, customers whose usage was overestimated will receive an account credit.

We also are looking at billing software that will allow us to better and more quickly communicate with customers in the event we must estimate their bill during a month we had been scheduled to do an actual meter read.

Our customers are valuable and we are making a sincere effort to communicate in a more timely fashion, and to provide the information necessary to understand our policies and our commitment to customer service.

I wanted to help Indianapolis Water customers who have questions about estimated billing better understand the process and explain how we're improving our performance.

We are scheduled to read your meter every other month and estimate usage in alternate months. Estimates are based on an average of either your 12 month or the last two months' usage, whichever is higher. This is the IURC approved method for estimating bills based on our rate structure.

We don't estimate bills when we don't have to, but there are reasons beyond our control that require it. Sometimes snow or ice covers the meter pit, or dogs and other obstructions are in the way, leading to an extended string of estimates. In December, we did a routine check of our processes to make meter reading more efficient. Checking accounts with repeated read attempts did shift of labor away from some of our other scheduled reads.

To fund infrastructure improvements, rates for both water and sewer are higher this year than last. That impacts bills and estimates, as does the record water usage during last year's extremely hot, dry summer. Since you typically use more water in the summer, we are reviewing the estimating method with the IURC to determine if there is a better way to do it. We'd like to be able to compare your seasonal usage to prepare estimates rather than averaging the whole year.

We're training additional meter readers right now and are working overtime to complete reads as quickly as possible. We expect to be caught up this month and, as always, you'll receive an account credit if your usage was overestimated.

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