

HOUSTON WATER BILL IMPROVEMENT PLAN



HOUSTON PUBLIC WORKS

Randy Macchi, Chief Operating Officer



WATER BILL PROCESS REVIEW

The Administration and HPW spent more than 90 days analyzing the water billing process:

- Identified issues through internal reviews, data analysis, customer complaints, ordinance gaps, technology needs and council member feedback.
- Developed a plan to address these issues prioritizing:
 - Correcting billing consistency and accuracy
 - Implementing infrastructure and technology upgrades
 - Customer service enhancements

WHAT IS THE PROBLEM?

- Some customers experienced **several months** of **estimated billing** before receiving an actual usage bill causing:
 - **Back charges**
 - **Higher-than-expected** water bills
 - **Inconsistencies** in month-to-month billing
- The billing and customer resolution process is complicated and confusing - **causing lack of public trust in water bills**
- 2023 ordinance changes provided tools for resolution but did not stop inconsistent or unexplained high bills

HOW DID WE GET HERE?

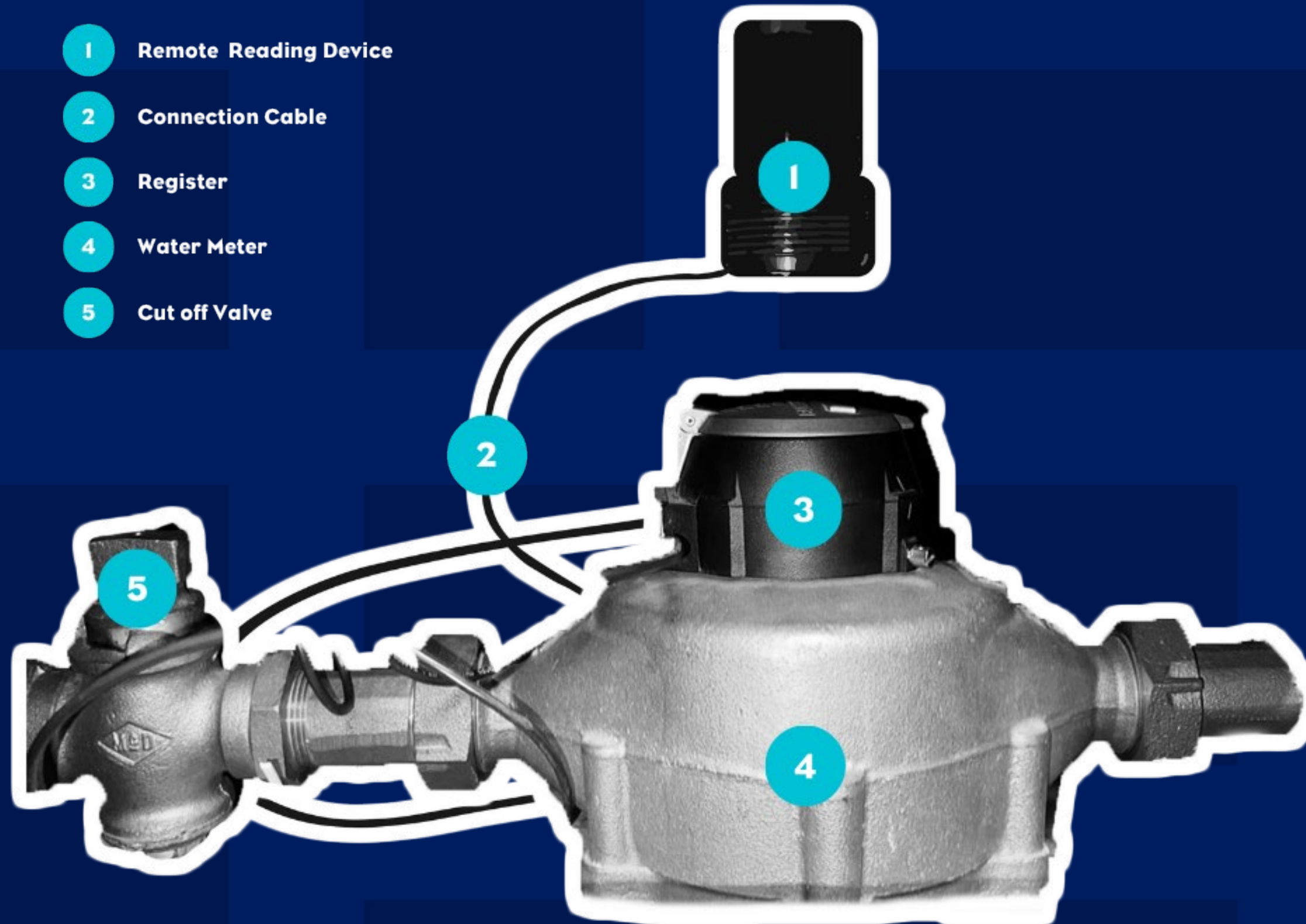
Infrastructure Issues

- Failed remote reading devices (**RRDs**) to track actual water usage
- Replacement rate of failed RRDs was outpaced by increasing number of failures, causing a backlog
- Shortage of staff to read meters with failed RRDs, leading to estimated water usage on water bills



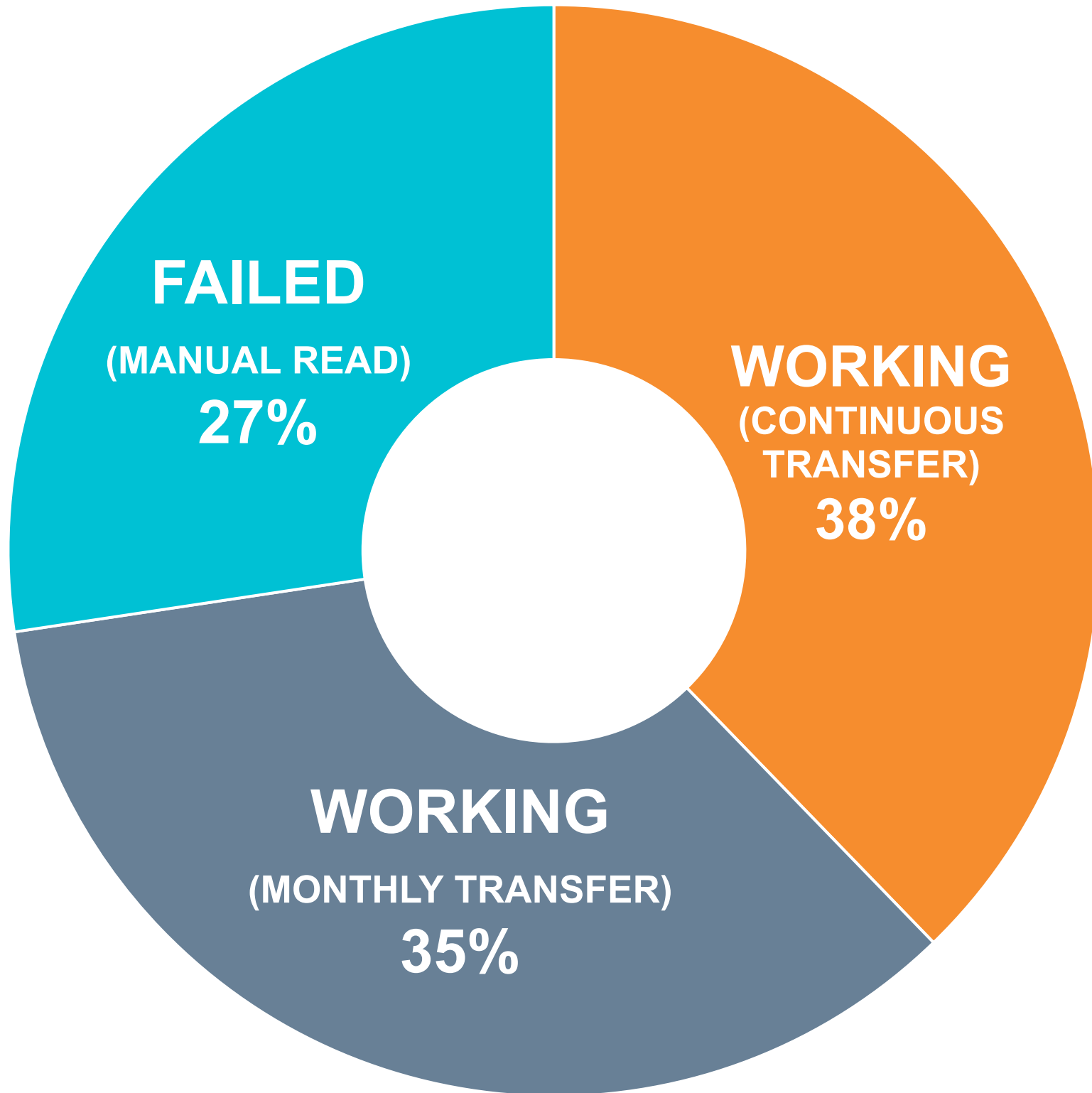
REMOTE READING DEVICE (RRD)

REMOTE READING DEVICE



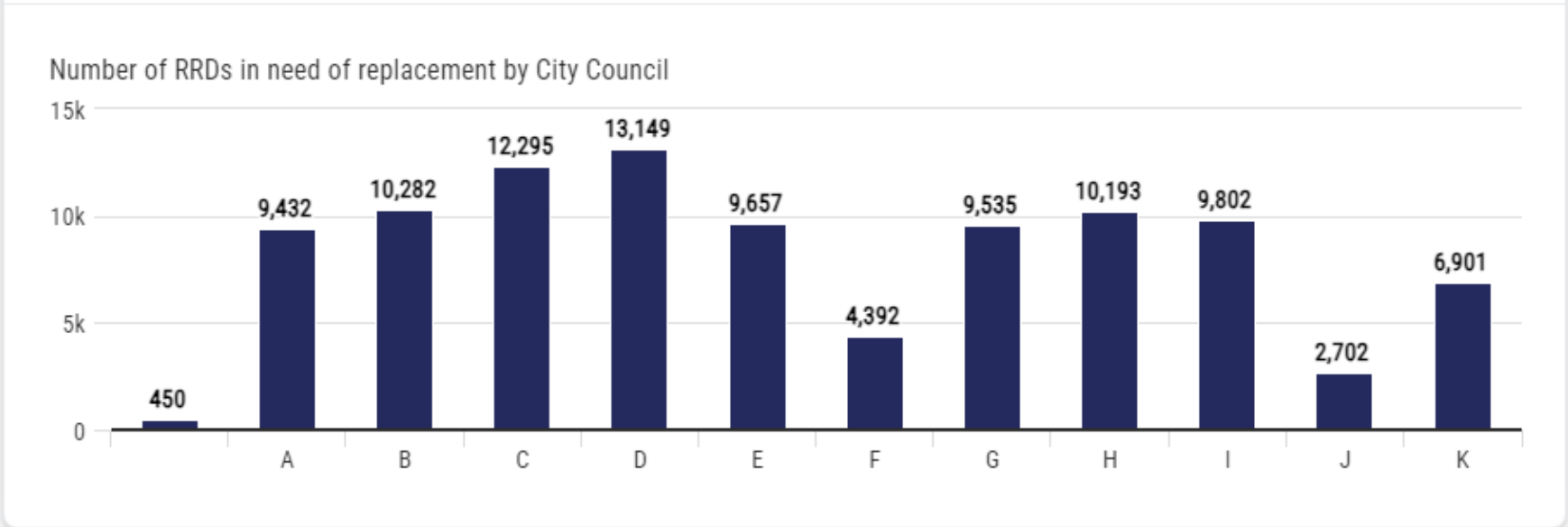
- A water meter measures the amount of water drawn through by the private side (4)
- Remote reading devices do not measure water usage but transmit the meter readings to radio towers (1)
- 73% of the meters currently transmit meter readings through remote reading devices (1)

CURRENT STATUS OF REMOTE READ DEVICES



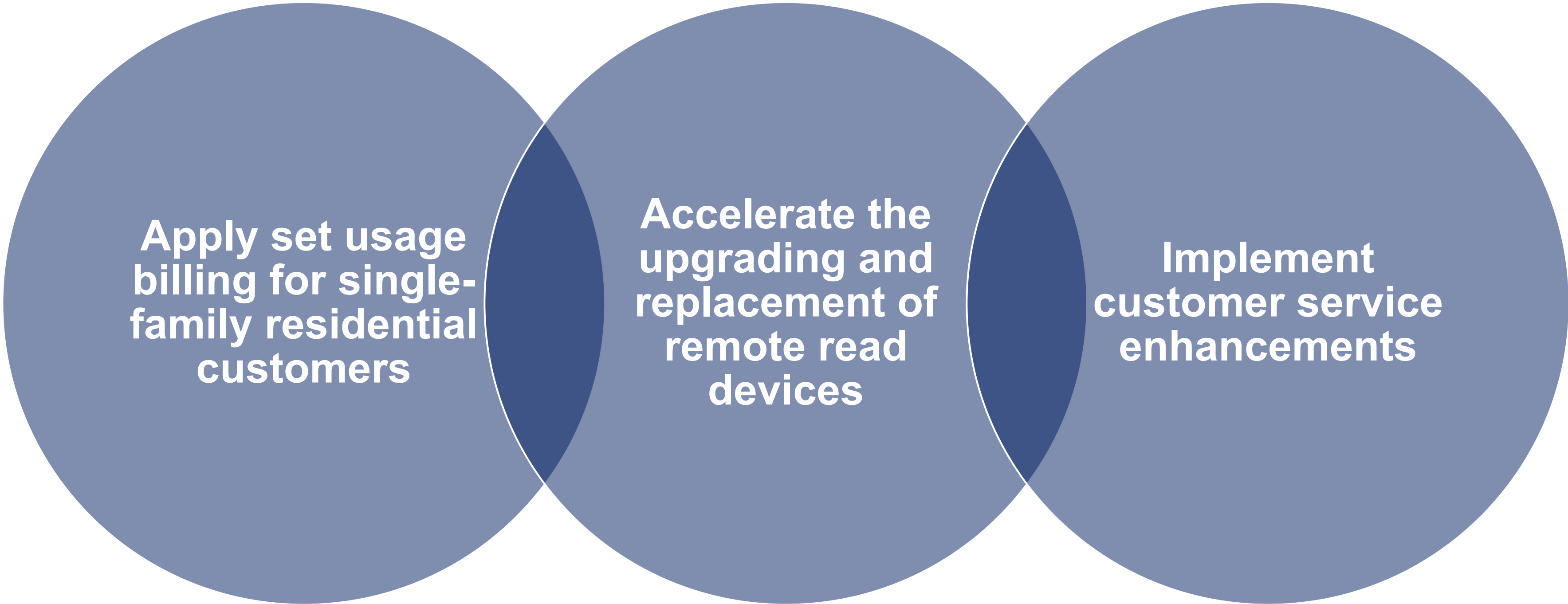
- ~125,000 RRDs have failed
 - Only able to manually read ~40,000 meters each month
- Bills are estimated without manual reads and later back-billed with actuals/manual read

RRDs in need of replacement by region



WHAT IS THE PLAN?

WATER BILL IMPROVEMENT PLAN



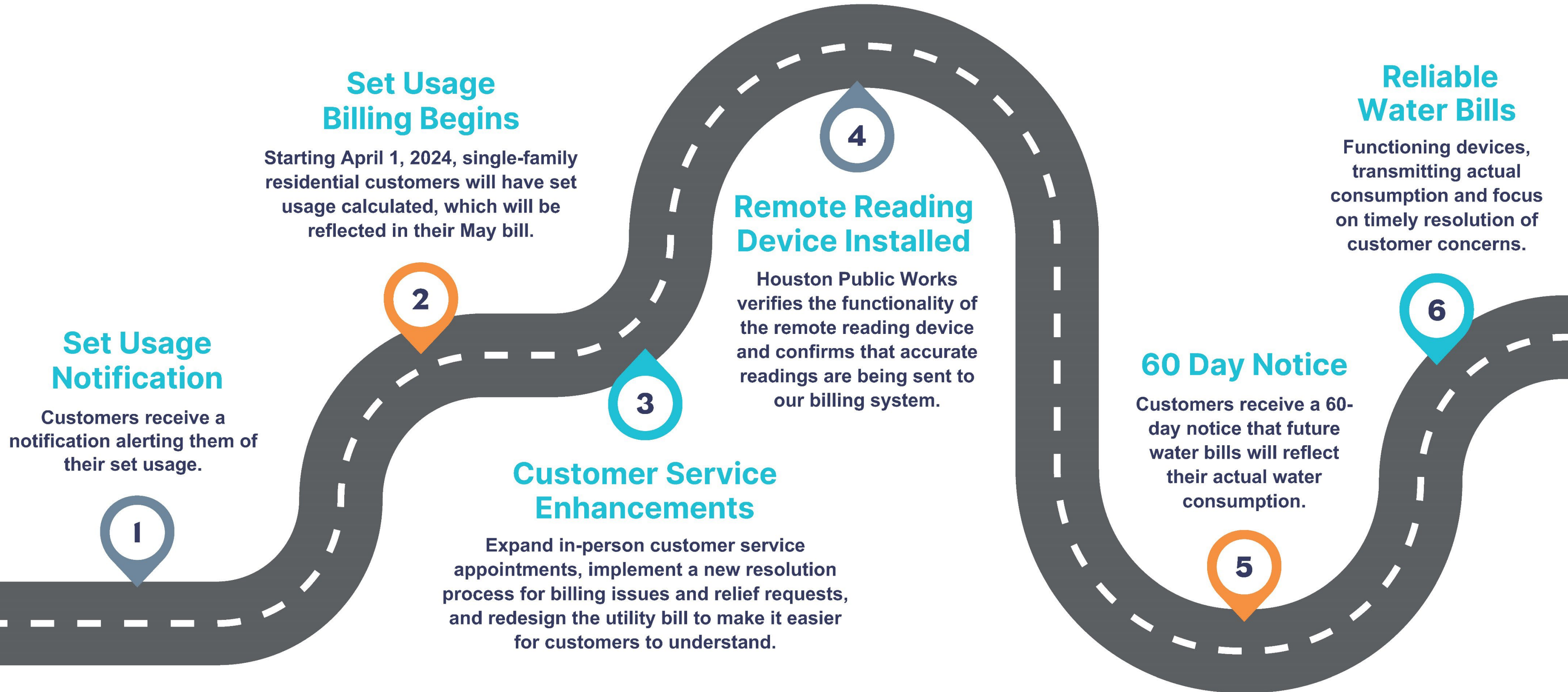
Apply set usage
billing for single-
family residential
customers

Accelerate the
upgrading and
replacement of
remote read
devices

Implement
customer service
enhancements

WATER BILL IMPROVEMENT PLAN

Customer Experience Roadmap



1 Set Usage Notification
Customers receive a notification alerting them of their set usage.

2 Set Usage Billing Begins
Starting April 1, 2024, single-family residential customers will have set usage calculated, which will be reflected in their May bill.

3 Customer Service Enhancements
Expand in-person customer service appointments, implement a new resolution process for billing issues and relief requests, and redesign the utility bill to make it easier for customers to understand.

4 Remote Reading Device Installed
Houston Public Works verifies the functionality of the remote reading device and confirms that accurate readings are being sent to our billing system.

5 60 Day Notice
Customers receive a 60-day notice that future water bills will reflect their actual water consumption.

6 Reliable Water Bills
Functioning devices, transmitting actual consumption and focus on timely resolution of customer concerns.

SET USAGE BILLING

SET USAGE BILLING



Starting April 1, 2024, single-family residential customers will be billed based on a set usage, which will be reflected in their May bill.

Accounts older than one year (created before March 1, 2023)

*Set usage is calculated using the average water consumption available on the account, up to 36 months.



Accounts less than one year old (created after March 1, 2023)

Set usage of 3,000 gallons per month will be assigned based on the average consumption for new Houston water accounts.

*To benefit the customer, the calculation excludes usage during the drought (June – December 2023), freeze (February and March 2021), and potential water leaks on a customer's property.

TRANSITIONING CUSTOMERS FROM SET USAGE BILLING

- **How long will single-family residential customers receive set usage bills?**
 - Until they receive an upgraded remote reading device*.
- **How will customers know if they have received an upgraded remote reading device?**
 - Single-family residential customers will receive a notice **60 days** before being transitioned back to actual usage, letting them know that their RRD has been verified and is transmitting their accurate water usage.

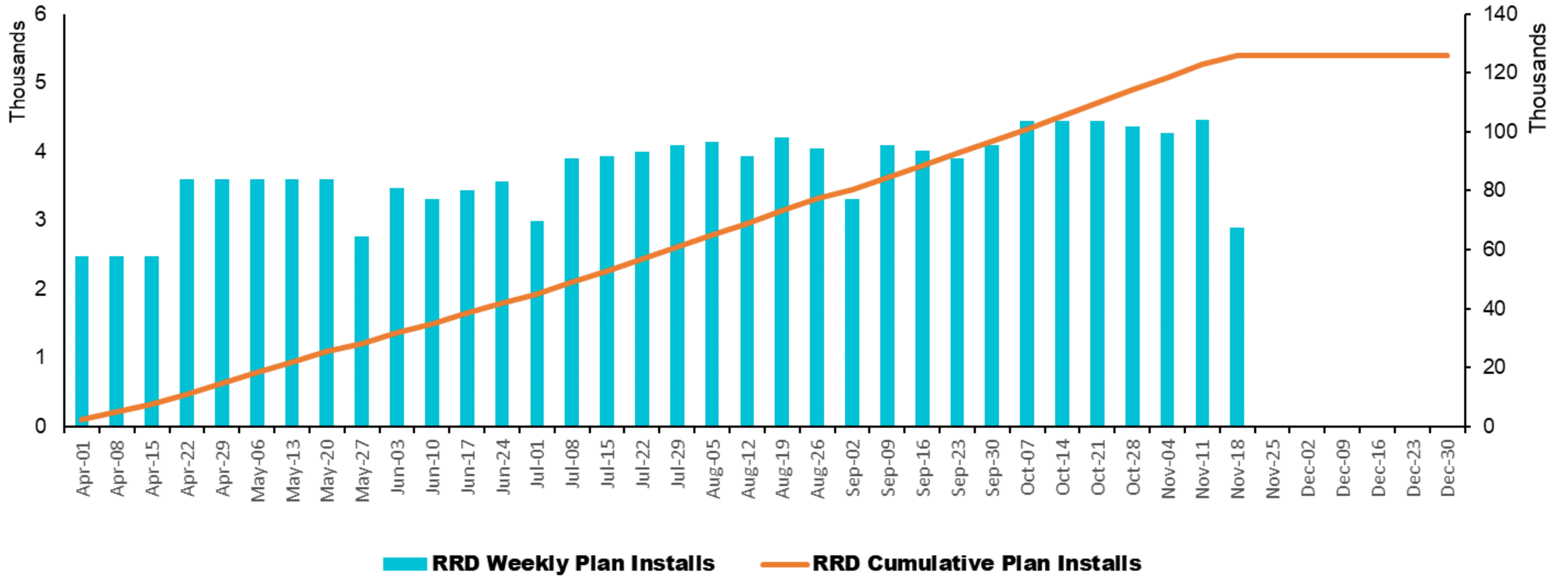


**Some customers already have a functioning remote reading device on their meter. Those customers may return to actual usage bills as early as August 2024.*

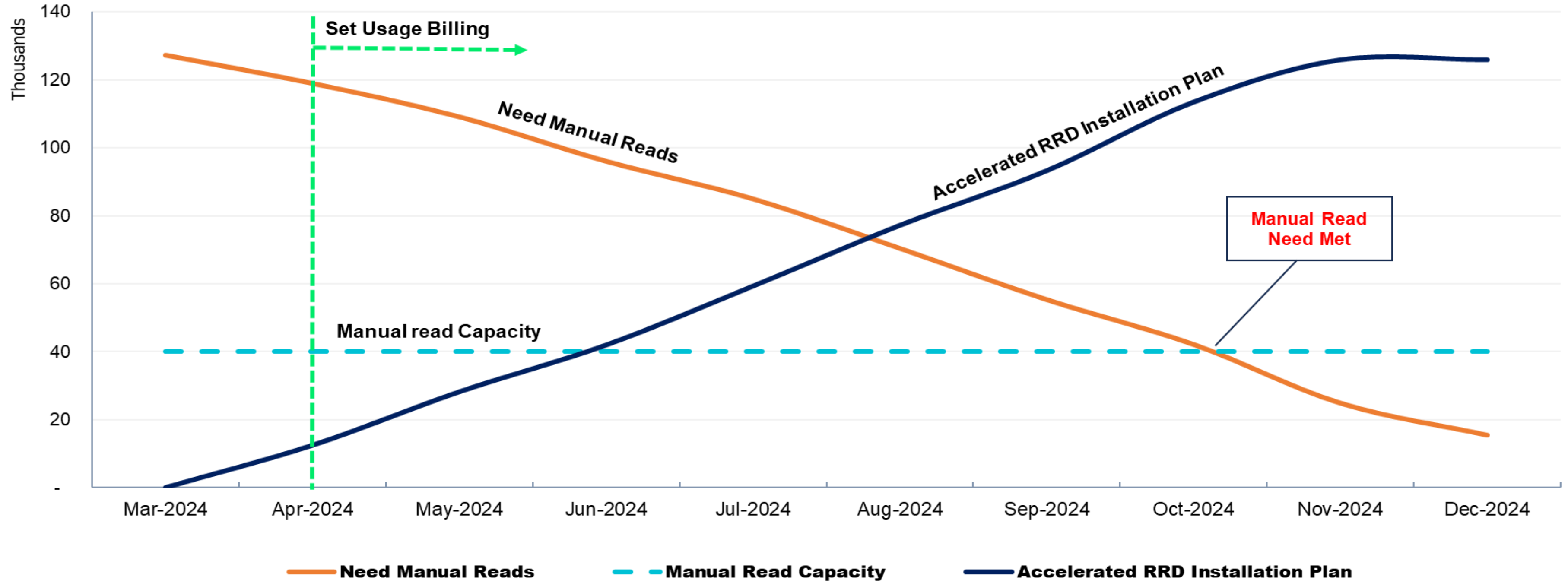
INFRASTRUCTURE UPDATES

INFRASTRUCTURE IMPROVEMENTS

DEPLOYMENT PLAN FOR REMOTE READING DEVICES



INFRASTRUCTURE IMPROVEMENTS



CUSTOMER SERVICE ENHANCEMENTS

TRACKING OUR PROGRESS

Dashboard Search your account

Remote Read Device Replacement Dashboard

The City of Houston is identifying and replacing approximately 125,000 nonfunctioning remote reading devices (RRDs) across the city, which includes single-family residential, multi-family and commercial customers. A remote reading device is an electronic transmitting device attached to a water meter register that sends a signal back to the city displaying the amount of water that passes through the meter. The City of Houston has experienced an increase in remote reading devices that are no longer functioning (due to age, damage, extreme weather conditions, etc.).

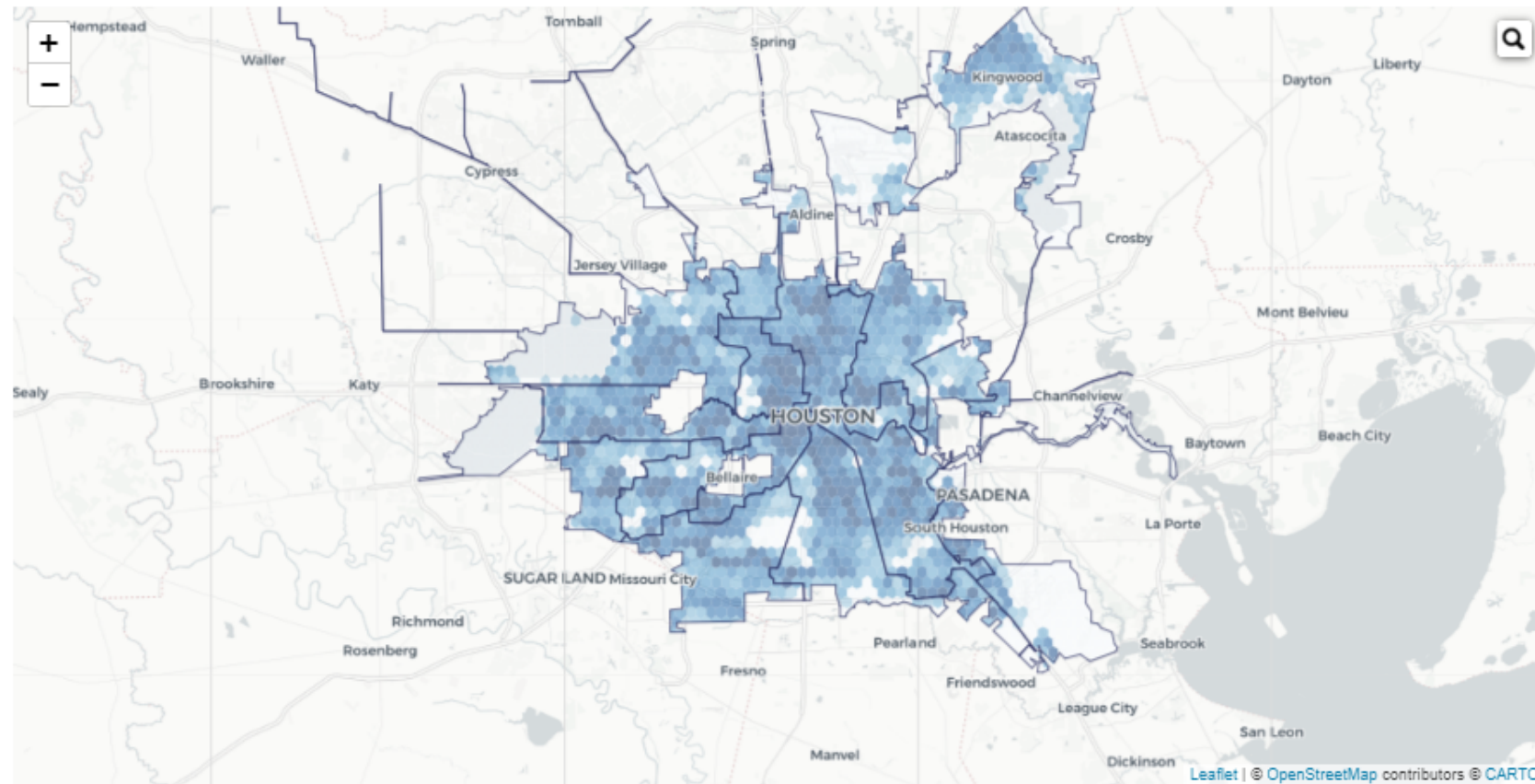
This dashboard can be used to track the progress of replacement for **active, residential accounts** by neighborhood, or to look up individual account status.

Customers with questions should visit improvewaterbills.org, call 713.371.1400 or email improvewaterbills@houstontx.gov.

Select a geography to get started:

Heatmap of where RRDs in need of replacement are concentrated

Map shows the number of RRDs associated with active, residential accounts that are in need of replacement in each area. Darker shades of blue represent a higher concentration of RRDs in need of replacement.



City of Houston

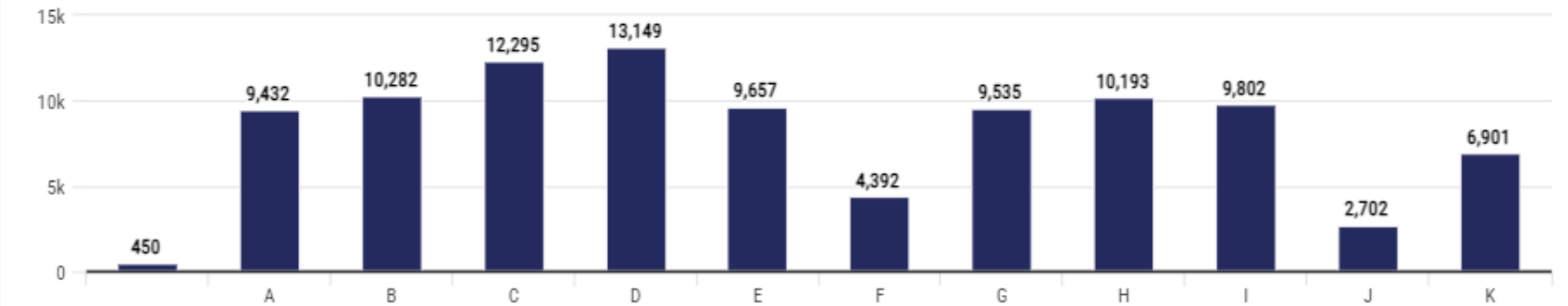
Numbers displayed on this dashboard reflect RRDs associated with **active, residential accounts only**.

| | | |
|------------------------------------------------|---------------------------------------------|--------------------------------------------------------------|
| # RRDs in need of replacement 98,790 | % RRDs in need of replacement 23% | # RRDs scheduled for replacement April/June 26,499 |
|------------------------------------------------|---------------------------------------------|--------------------------------------------------------------|

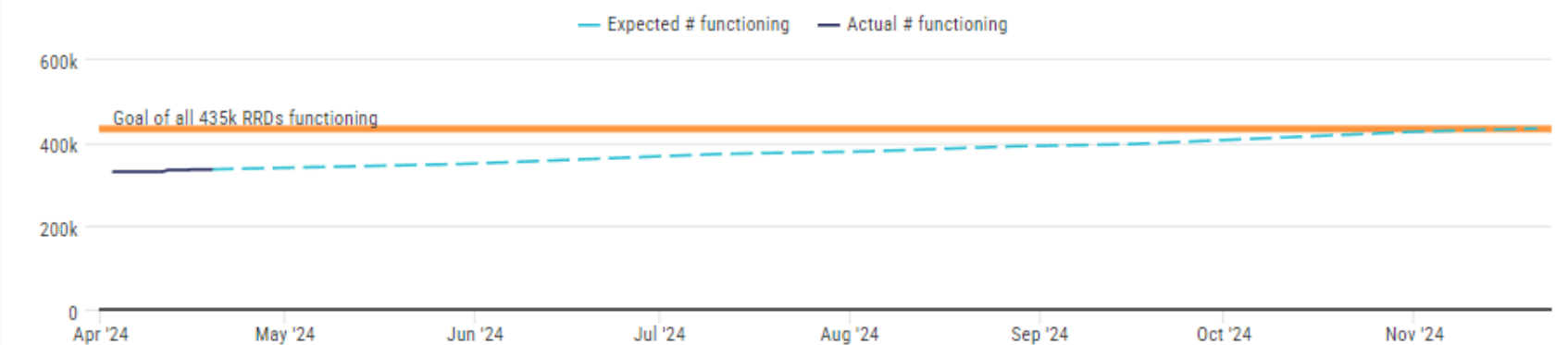
Last update on: Friday Apr 19, 2024

RRDs in need of replacement by region

Number of RRDs in need of replacement by City Council



Progress towards goal (Citywide)



ADDITIONAL CUSTOMER SERVICE ENHANCEMENTS

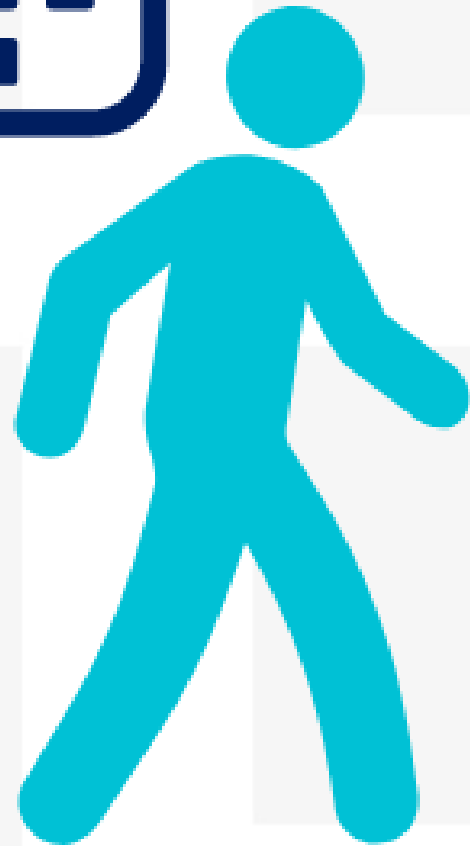
For all* customers:

- Universal customer request form for all issues
- Improve water bill format
- Customer resolution process
- Repealed Ordinance 47-72 to make adjustment process easier and more accurate



** "For all" means all customers to include single-family residents, multi-family residents and commercial/industrial. All customers will be able to use and will benefit from the upcoming customer service enhancements.*

CUSTOMER SERVICE ENHANCEMENTS

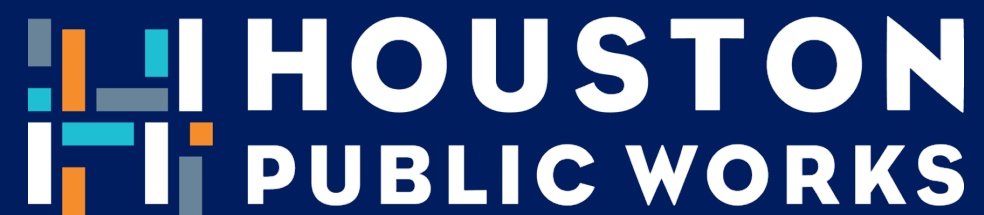


In-person and virtual customer service:

- **Available for appointments via:**
 - **Phone:** 713.371.1400
 - **Website:** HoustonWaterBills.org
 - **QR Code:**



Thank you!



HoustonPublicWorks.org |    @HouPublicWorks