



Automated Meter Reading Project

Attachment 2

April 12, 2013

Several meetings occurred with the Utility Advisory Committee and the Olympia Planning Commission during the course of developing the 2009 – 2014 Water System Plan. One of the capital improvement projects identified in the approved Plan is automated meter reading. Over the course of the Plan approval process, below is a summary of Utility Advisory Committee comments for support for automated meter reading:

1. Correspondence dated August 13, 2009 to the Olympia Planning Commission regarding the Utility Advisory Committee review of the 2010 – 2015 draft Capital Facilities Plan. Letter signed by Mary Groebner, UAC chair

“The UAC reiterates our prior comments as noted in the July 9, 2009, letter to City Council regarding support for adoption/submission of the Water System Plan to the State Department of Health... Additionally, the UAC expressed support for replacement of water meters consistent with industry best practices and implementation of automated meter reading.”

2. Correspondence dated July 9, 2009 to Olympia City Council regarding the Capital Improvement Plan for the Water System Plan, signed by Mary Groebner, UAC chair and Emily Lardner, UAC vice Chair.

“UAC supports increased investment to bring our meter replacement schedule up to that recommended by industry standards. Accurate meter reading is essential to rate equity (aging meters tend towards under-reporting), as well as, sustainability goals (accurate data on water usage is essential for rate setting and strategic planning). Additionally, it is simply responsible practice to maintain any/all existing infrastructure at a best-practice recommended schedule.”

“The UAC remains supportive of the transition to Automated Meter Reading (AMR). Analysis suggest that the marginal cost of transition to AMR pays for itself in operational costs alone (e.g., can be done without further rate increase) without regard to recovery of potential revenue from under-billed water usage. This action makes sense operationally, as well as, strategically – better positioning the City to be able to act more quickly (identification/resolution of leaks, etc.) as well as opening up a possibility for monthly billing in the future.”

3. Correspondence dated August 13, 2008 to the Olympia Planning Commission regarding Utility Advisory Committee Review of the draft 2009 – 2014 Capital Facilities Plan, signed by Tim Rogers, UAC chair.

“... the UAC recommends approval of the draft 2009 – 2014 Capital Facilities Plan with changes.... In summary those changes are: commence automated meter reading technology project in 2009...”

4. Correspondence dated July 8, 2008 to City Council regarding the draft 2009 – 2014 Water System Plan, signed by Tim Rogers, UAC chair and Mary Groebner, UAC vice chair.

“Olympia’s water meter system is aging. It requires a high level of maintenance, is inefficient, and requires four staff to manually meter read each cycle with a likelihood of increasing staffing to accommodate growth. The UAC strongly support the proposal to replace the old meters with a new automated system and recommends the financing of the new system begin in 2009 instead of 2012 as proposed in the draft Plan. Some of the benefits of a new automated system are:

- Recapture the revenue from the estimated 4.4 percent of unreported consumption;
- Significantly lower operating expenses;
- Allow for monthly billing which will aid in encouraging water conservation by sending a quicker price signal to consumers;
- Provide real-time consumption data which will help detect leaks much faster; and
- Provide more accurate water usage data to aid staff and Council in future policy decisions.

Funding of an automated system will have an impact on utility rates. To minimize the rate impact, stretch implementation out over more years or possibly allocate a portion of GFCs to fund the project. We do believe the combination of recaptured revenue and operation cost saving will offset those increases in the out years. Further, we believe that capturing more accurate data about water usage and providing consumers with quicker price signals via monthly billing will allow the City to continue to progress on sustainability goals.”