



**SPRINGFIELD WATER AND SEWER COMMISSION
P.O. BOX 995, SPRINGFIELD, MA 01101**

Date of Issuance: April 28, 2023

Contact: Jaimye Bartak, Communications Manager
Springfield Water and Sewer Commission
jaimye.bartak@waterandsewer.org
(413) 452-1302

FOR IMMEDIATE RELEASE

Springfield Water and Sewer Commission Issues Proposed FY 2024 Budget
Virtual Public Hearing Scheduled for Wednesday, May 31, 2023, 6 PM

The Springfield Water and Sewer Commission (Commission) has issued its proposed FY24 budget and schedule of rates, fees and charges, and revisions to its *Rules and Regulations*. A virtual public hearing on the proposed changes is scheduled for Wednesday, May 31, 2023, at 6 PM.

- Despite spiking inflation and supply chain impacts, the proposed rates for FY24 are in line with projected rate increases presented in FY23.
- The average rate increase on residential customers will be \$7.50/month.
- The Commission will increase the annual discount for seniors and expand access to customer assistance programs low-income customers in FY24.
- The Commission's Water and Wastewater Infrastructure Renewal Program, a portfolio of water infrastructure renewal projects launched in 2021, is fully underway to revitalize the region's aging water and wastewater infrastructure, and is a major driver of rates.

Strategic Financing to Support System Reinvestment

In 2021, the Commission secured a \$250 million low-interest loan from EPA's highly competitive Water Infrastructure Finance and Innovation Act (WIFIA) program to help finance a portfolio of over 20 critical water and wastewater projects, known as the Water and Wastewater Infrastructure Renewal Program (WWIRP). The WWIRP projects are necessary to address risks associated with often century-old or end-of-life infrastructure and obsolete technology that undermine service reliability and compliance with modern regulations. Rate increases such as this one are reflective of these capital investments, and more modest increases currently are projected after the WWIRP portfolio reaches completion.



SPRINGFIELD WATER AND SEWER COMMISSION
P.O. BOX 995, SPRINGFIELD, MA 01101

“The Commission is proposing a stable and predictable rate increase despite an environment of rapid inflation over the past year,” said Executive Director Josh Schimmel. “Through financial planning and budget discipline, we were able to continue advancing our critical major infrastructure reinvestment program while maintaining our commitment to affordability. We are always mindful of the impact of rate increases on our customers, and continue to adjust our assistance programs to support low-income and senior households. But as we have seen in national news headlines over the past year, the costs associated with not reinvesting in our essential water resources are far higher.”

Water and Wastewater Infrastructure Renewal Program

The Commission is working diligently to deliver revitalized water and wastewater systems for the region over the next 6 years. This includes the West Parish Filters Water Treatment Plant, which is approaching 60% design and will enter full construction in 2024, and the York Street Pump Station and Connecticut River Crossing Project, which will go online later this summer. Both projects are cornerstones of the WWIRP and will replace infrastructure that has been in continuous operation for at least 50 years, and in some cases for over a century.

The West Parish Filter Water Treatment Plant (estimated cost \$325 million) project includes a new treatment process that will resolve recent compliance issues with disinfection byproducts that are due to the plant’s outdated filtration technology. Phase 1 of the project, the [Clearwell and Backwash Pump Station Project](#), is set to be completed this year. The new treatment plant project is anticipated to be complete in 2028.

The York Street Pump Station and Connecticut River Crossing Project will come online in summer 2023, increasing system resiliency and redundancy and reducing combined sewer overflow discharges into the Connecticut River by approximately 100 million gallons in a typical year. Other WWIRP projects include upgrades to the Springfield Regional Wastewater Treatment Facility and new water and wastewater pipes in the City of Springfield, including at Locust Street and Birnie Avenue.

In addition to the \$250 million in WIFIA financing, the WWIRP relies on low-interest financing from the Massachusetts Clean Water and Drinking Water State Revolving Funds (SRF). Loan forgiveness programs associated with the American Rescue Plan Act of 2021 and the Infrastructure Investment and Jobs Act of 2021 (also known as the Bipartisan Infrastructure Law) are administered to users of the SRF. In FY23 the Commission was awarded \$12.9 million in SRF loan forgiveness. These savings will be reflected in future budget years upon completion of projects. The Commission continues to aggressively seek and advocate for grants and other strategic funding opportunities to support the WWIRP.



**SPRINGFIELD WATER AND SEWER COMMISSION
P.O. BOX 995, SPRINGFIELD, MA 01101**

Proposed FY24 Rates

The proposed FY24 combined water and sewer rate will raise the average residential bill by \$7.50/month. The residential water rate will increase from \$4.46 per 100 cubic feet (CCF) to \$4.75 per CCF, a 6.5% increase. The residential sewer rate will increase from \$7.05 per CCF to \$7.51 per CCF (also a 6.5% increase). The proposed rate increases will be applied to water and sewer use beginning July 1, 2023, with increases reflected in bills issued in August 2023.

Customer Assistance Programs

The Commission offers several financial assistance programs to help customers manage their water and sewer bills, including payment plans and programs for low-income customers. In FY24 the Commission is proposing to increase its discount for senior, disabled, and disabled Veteran homeowners from \$81/year to \$99/year, and to increase the number of low-income customers that may receive its annual Customer Assistance Program (CAP) credit. The CAP is available to single-family/owner-occupied homeowners that qualify for the Low-Income Home Energy Assistance Program (LIHEAP) and is one of the few of its kind among water utilities in the nation.

Public Hearing

Ratepayers, customers, and members of the public are invited to participate in the following public hearing via telephone or computer:

DATE/TIME: Wednesday, May 31, 2023, 6:00 P.M.
LOCATION: **Telephone:** 413-261-6430, Conference ID: 836 674 202#
Computer (live video conference): <https://bit.ly/3MGI6CI>

Relevant documents are available on the Commission's web page at <https://waterandsewer.org/updates/public-notices/> and the Commission encourages interested parties to submit questions and comments in advance of the hearing via info@waterandsewer.org.

About the Commission

Established in 1996, the Springfield Water and Sewer Commission is an independent, public regional utility. The Commission serves 250,000 customers in the lower Pioneer Valley with safe and reliable drinking water and wastewater service. The Commission provides retail drinking water service to Springfield and Ludlow; wholesale drinking water service to Agawam, Longmeadow, and East Longmeadow; and emergency/peak service to Westfield, Southwick, West Springfield, Chicopee, and Wilbraham. The Commission provides retail wastewater service to Springfield and wholesale wastewater service to West Springfield, Agawam, Longmeadow, East Longmeadow, Wilbraham, and Ludlow.

END