

## **Orange Water and Sewer Authority (OWASA), NC Customer Bill Assistance Program Case Study**

**Jurisdiction:** Orange County, NC  
**Best Management Practice:** Customer Bill Assistance Program  
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**Introduction:** One of the common reasons cited by boards, especially those in smaller communities, for not raising rates is the impact on low income customers. As revenue needs become more urgent, some utilities have looked for alternative structures to reduce the impact on low income communities without keeping the price of water low for all customers. Rather than maintain artificially low rates for all customers, governments are realizing it is more efficient to provide direct assistance to the customers in need. One approach is to shift the responsibility for caring for low-income water and sewer customers from the utility to other areas of government, such as social services.

**Description:** Orange Water and Sewer Authority (OWASA) provides utility service to approximately 75,000 people in the towns of Carrboro and Chapel Hill and to the University of North Carolina at Chapel Hill. OWASA started an innovative program called “Taste of Hope” in 1997 as an optional, voluntary way for OWASA’s customers to provide temporary assistance to low- and moderate-income families when they have difficulty paying an OWASA bill. Customers are given the option to round up their bills to the nearest whole dollar amount. The Taste of Hope program is funded only through voluntary donations, which are tax-deductible. OWASA also does not use ratepayers’ dollars to promote the Taste of Hope program, but uses space in existing information channels (customer newsletter, news releases, announcements at televised public meetings, Website, bills, service sign-up forms, etc.) and existing, in-house staff time for marketing. A few years ago, a full-color brochure was printed with resources donated by a local printing company and a regional consulting firm.

Revenues from this rounding go into the Taste of Hope Fund. There is no administrative expense deducted because the Taste of Hope service was built into OWASA’s billing system at negligible cost. Taste of Hope funds are administered locally by a local nonprofit agency, the Inter-Faith Council for Social Service, which helps families in need.

**Results:** In recent years, participation by donors has risen from 3% to 6% of OWASA’s billed customers. Monthly donations are now at an annual rate of about \$7,800 per year.

**Where to find additional information:** visit [www.owasa.org/pages/tasteofhopeprog.asp](http://www.owasa.org/pages/tasteofhopeprog.asp) to learn more about this program.