

New Models for Utility Partnerships

Jeff Hughes
Environmental Finance Center
UNC School of Government
919 843-49565

jhughes@sog.unc.edu

www.efc.unc.edu



**WATER MANAGEMENT
LEADERSHIP
PROGRAM**

Water/Sewer System Partnerships

- Handshakes about cooperation
- Emergency mutual aid agreements
- Bulk sales agreements
- Joint ownership of facilities
- Joint management/ownership entities (authorities)
- Find someone to take over the business

What would you do?

1. Mobile home park system adjacent to large system
2. Unserved area in a county adjacent to a municipal system
3. Large system with excess capacity most of the year and small system with groundwater limitations
4. Three small systems in close proximity to each other.

Challenges to Partnerships and Cooperative Agreements

- Loss of control
 - Economic development
 - Rate setting
 - Growth decisions
- Impacts on existing customers
- Distribution of benefits
- Additional costs

Challenges to Partnerships and Cooperative Agreements

- Non revenue water
- Inflow and Infiltration
- Rate differentials
- Uneven and/or unpredictable growth
- Lack of “impartial” brokers

Partnership Examples

- Interruptible sales agreements
- Non-contiguous utilities
- Collective billing agreements
- Water system extension assessments

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