

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: October 24, 2012

Board Item: 3-A-1

Amendment to Chapter 6 of the Operating Rules

Action by Consent

Action

Information

A recent Lean Rapid Improvement Event (RIE) examined Denver Water's process for authorizing adjustments to customers' bills based on the existence of a leak at the property, in order to streamline the leak adjustment process and make it more efficient and customer friendly. Under the current version of Operating Rules 6.04.5(c) and (d), a customer is entitled to one adjustment in any five year period for 50 percent of the excess water estimated to have been lost as a result of an underground leak, and a customer could apply for an adjustment retroactively for as long as two years. This encouraged some customers to wait nearly two years to apply for an adjustment of the highest bill experienced during the two year period, rather than addressing the problem as soon as possible. The current rule also limits adjustments to underground leaks, which frustrated customers applying for adjustments for other types of accidental losses of water.

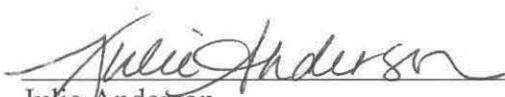
During the RIE, employees developed a new process, under which customers may apply for two adjustments in a single year for water estimated to have been accidentally lost. The estimated water loss will be billed at the lowest eligible rate tier, and a single adjustment may cover up to three billing periods. After the first adjustment, a customer would be eligible for a second adjustment only after agreeing to allow Denver Water to conduct a water audit. The RIE also expanded the types of water losses eligible for an adjustment beyond underground leaks, in order to encourage customers to correct other forms of water loss such as from running toilets. The two year retroactive period for adjustments was eliminated in order to encourage timely reporting of leaks and greater opportunities for Denver Water to work with customers to help improve their water use through water audits.

Recommendation:

It is recommended that the Board approve the attached proposed changes to Operating Rules 6.04.5(c) and (d).

Approvals:

Respectfully submitted,


Julie Anderson
Director of Customer Relations


James S. Lochhead
CEO/Manager


Patricia Wells
General Counsel


for Brian Good
Deputy Manager of Organizational Improvement