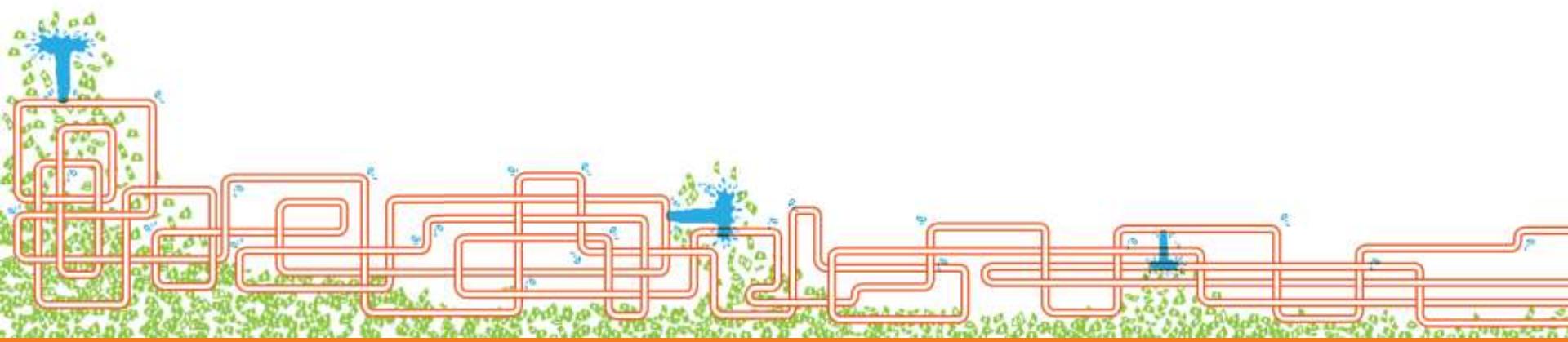




Immeasurable Loss: Modernizing Lake Michigan Water Use

Josh Ellis

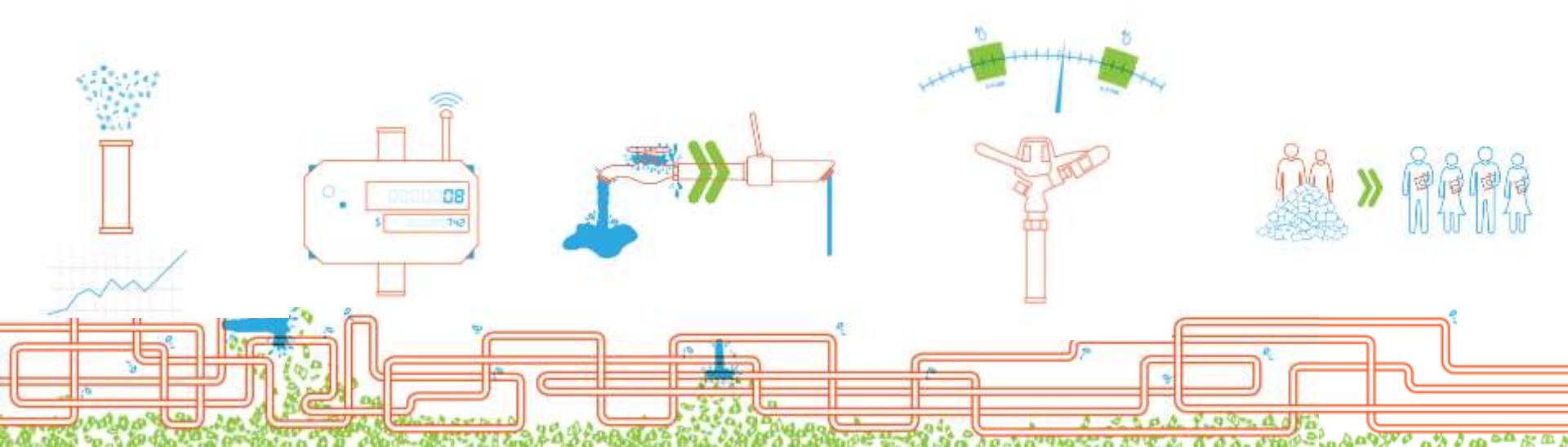
MPC Roundtable, May 7, 2013



WHY MODERNIZE?

Current opportunity

- IDNR has released proposed rule changes
- MPC supports changes, but recommends further action



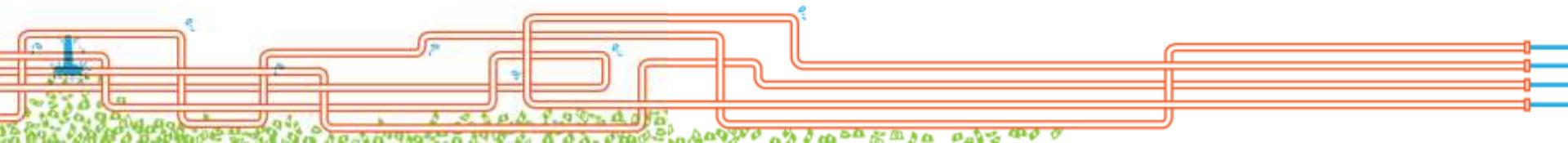
Research methods

- LMO-2 data, 1999-2010
- Lawn sprinkling & plumbing ordinances
- National best practices
- Interviews

Professionals consulted for this paper

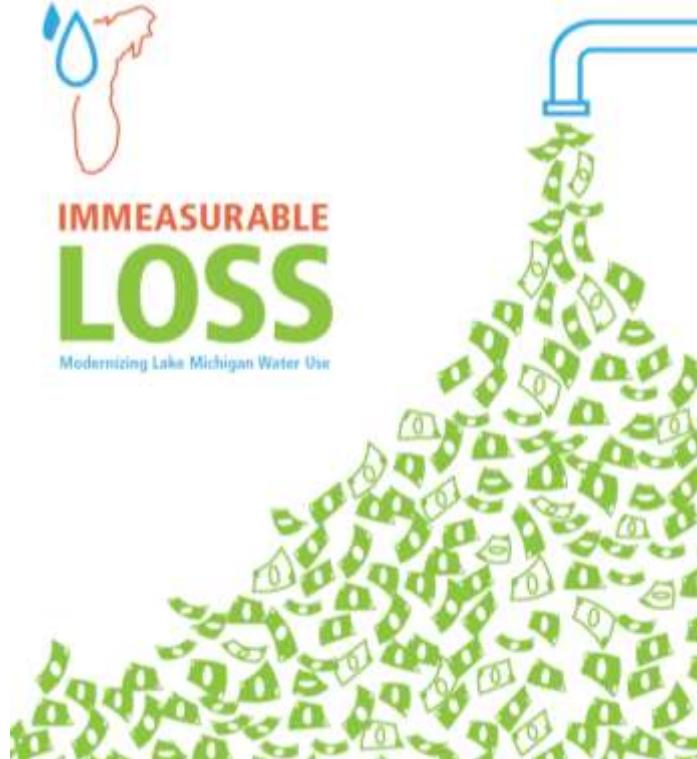
Bold type indicates Lake Michigan permittee.

Alliance for Water Efficiency
American Water Works Association
Center for Neighborhood Technology
Chicago Metropolitan Agency for Planning
City of Blue Island
City of Chicago
City of Des Plaines
Village of Glenview
Village of Grayslake
Illinois American Water (holds multiple permits for several service areas)
Illinois Dept. of Natural Resources
Illinois-Indiana Sea Grant
Village of LaGrange
Village of Lake Zurich (has permit, but has not commenced use)
Northwest Water Planning Alliance
Village of Palos Park
Village of Westmont
Village of Wheeling



Solutions

1. Accounting system
2. Water rates and metering
3. Plumbing standards
4. Outdoor water use standards
5. IDNR capacity



Improve the existing accounting system, while exploring a new approach

SOLUTION #1



Current accounting method: LMO-2

Section II - Water Use Audit

Enter the amount of water pumped and utilized for each item shown below. All amounts entered in this section must be in units of million gallons per day (mgd) rounded off to three decimal places. Conversion calculations are provided for your use in Section IV.

A. Pumpage Data:

Water input or received from the following distribution systems:

1. Lake Michigan Pumpage	mgd
2. Wolverine Aquifer Pumpage	mgd
3. Deep Aquifer Pumpage	mgd
4. Total Pumpage (add lines 1, 2 & 3)	mgd
5. Water Treatment Use	mgd
6. Gross Annual Pumpage (subtract line 5 from line 4)	mgd

Water sold or provided to any other distribution systems (enter the name of each system and the amount sold or provided to that system on lines 7 through 12. If additional lines are required, attach an additional sheet listing each system and amount).

7.	mgd
8.	mgd
9.	mgd
10.	mgd
11.	mgd
12.	mgd
13. Total (add lines 7-12 and any additional amounts)	mgd
14. Net Annual Pumpage (subtract line 13 from line 6)	mgd

B. Use:

	Metered	Unmetered	Total
15. Residential	mgd	mgd	mgd
16. Commercial and Manufacturing	mgd	mgd	mgd
17. Municipal	mgd	mgd	mgd
18. Construction	mgd	mgd	mgd
19. Total Use (add Total Use from lines 15 through 18)	mgd	mgd	mgd
20. Percentage of Total Use to Net Annual Pumpage (divide line 19 by line 14 and multiply by 100)	%		

C. Hydrant Use:

21. Firefighting and Training	mgd
22. Water Main Flushing	mgd
23. Street Cleaning	mgd
24. Street Cleaning	mgd
25. Construction	mgd
26. Other (attach explanation)	mgd
27. Total Hydrant Use (add lines 21 through 26)	mgd

Measuring the quantity of water withdrawn or diverted from Lake Michigan

Last substantial update: Jan 1990

Section II - Water Use Audit (continued)

28. Percentage of Hydrant Use to Net Annual Pumpage
(divide line 27 by line 14 and multiply by 100)

29. Department allowed maximum for Hydrant Use

30. Excessive hydrant use (subtract line 29 from line 26). If the percentage is greater than 5.5, attach an explanation. (See Rule 730.307 (e))

D. Unaccountable Leakage and Unaccounted for Flow:

31. Maximum Unaccountable Leakage (Do worksheet in Section III; enter amount from line 19 of the worksheet)	mgd
32. Percentage of Maximum Unaccountable Leakage to Net Annual Pumpage (divide line 31 by line 14 and multiply by 100)	%
33. Total Accounted for Flow (add lines 19, 27 and 31)	mgd
34. Percentage of Total Accounted for Flow to Net Annual Pumpage (divide line 33 by line 14 and multiply by 100)	%
35. Total Unaccounted for Flow (subtract amount on line 33 from line 14)	mgd
36. Percentage of Total Unaccounted for Flow to Net Annual Pumpage (divide line 35 by line 14 and multiply by 100)	%

Please Check Your Calculations

The sum of lines 31 and 36 should equal line 14. If they do not equal, recheck your calculations.

The sum of lines 34 and 36 should equal approximately 100%. If not, check calculations.

Section III - Maximum Unaccountable Leakage Worksheet

Complete the following calculations to determine your maximum unaccountable leakage. Enter the appropriate amounts in the space provided.

A. Cast Iron Pipes With Lead Joints

Age of Pipes	Miles of Pipe	Leakage Rate	Maximum Unaccountable Leakage
1. 50 yrs. or greater		≤ 1,000 gallons =	mgd
2. 45-50 yrs.		≤ 2,500 gallons =	mgd
3. 25-40 yrs.		≤ 2,000 gallons =	mgd
4. 20 yrs. or less		≤ 1,500 gallons =	mgd

B. All Other Types of Pipes and Joints

Age of Pipes	Miles of Pipe	Leakage Rate	Maximum Unaccountable Leakage
1. 50 yrs. or greater		≤ 2,500 gallons =	mgd
2. 45-50 yrs.		≤ 2,000 gallons =	mgd
3. 25-40 yrs.		≤ 1,500 gallons =	mgd
4. 20 yrs. or less		≤ 1,000 gallons =	mgd
5. Total Miles		Total Leakage	mgd

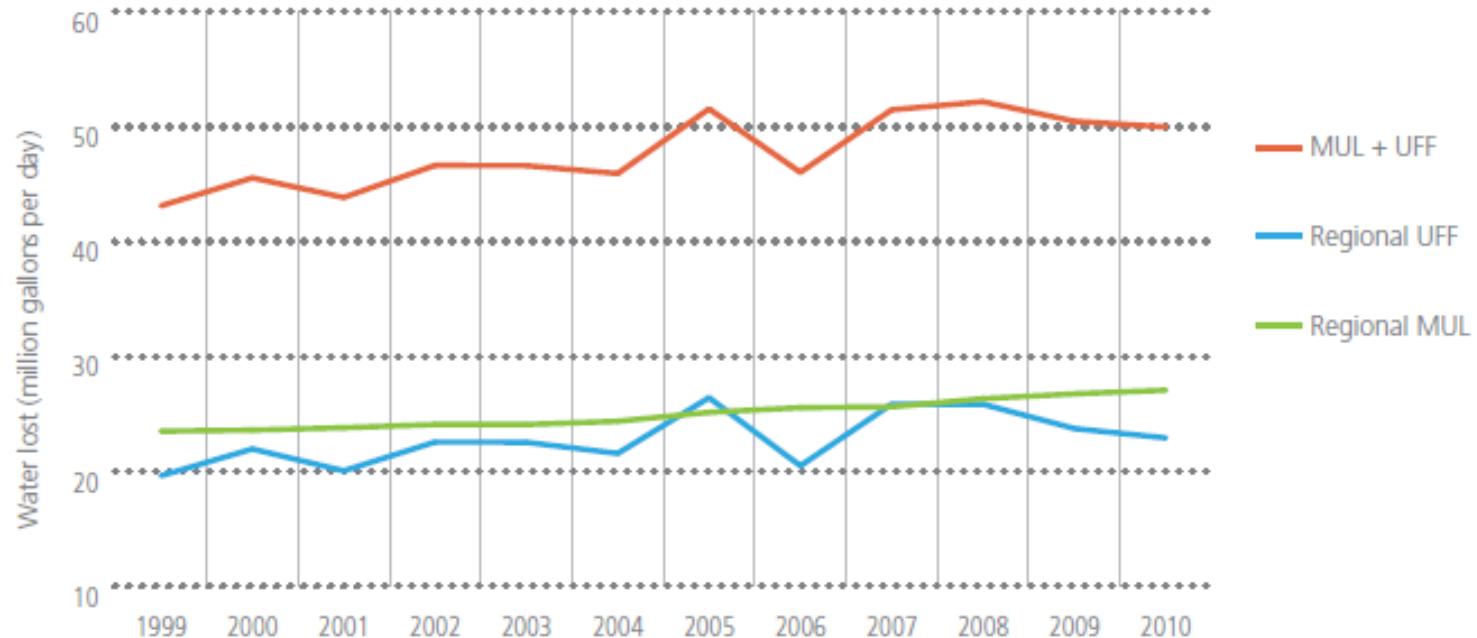
16. Total Maximum Unaccountable Leakage, in mgd
(divide total leakage on line 5 by 1,000,000)

(Enter this amount on line 31 of "Section II - Water Use Audit")
mgd

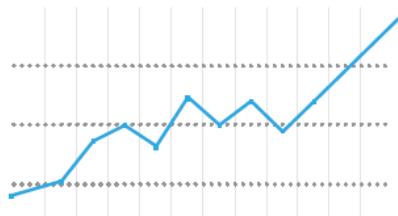


“Best information available”

Regional water loss data excluding City of Chicago shows increasing loss



Problem #1: Accounting system

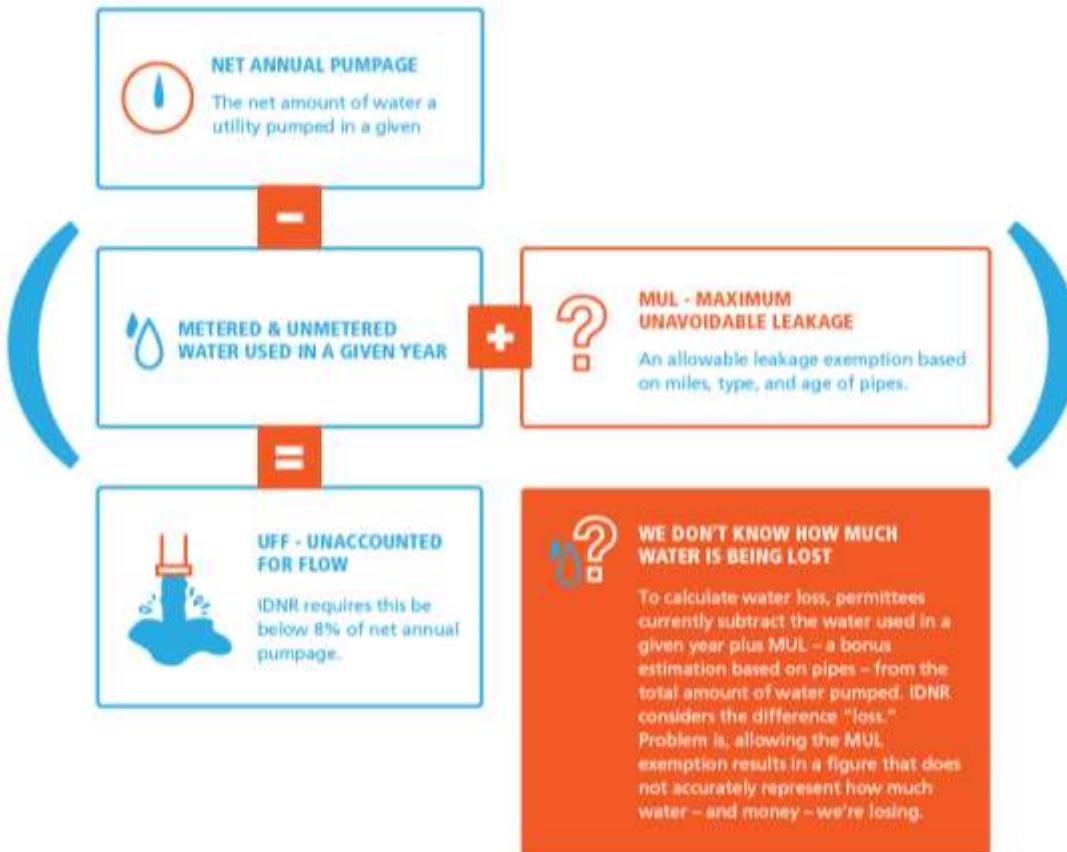


Problem: Lack of useful data

Solution: Eliminate MUL now, but work towards more comprehensive performance metrics

Outcome: Data-driven management

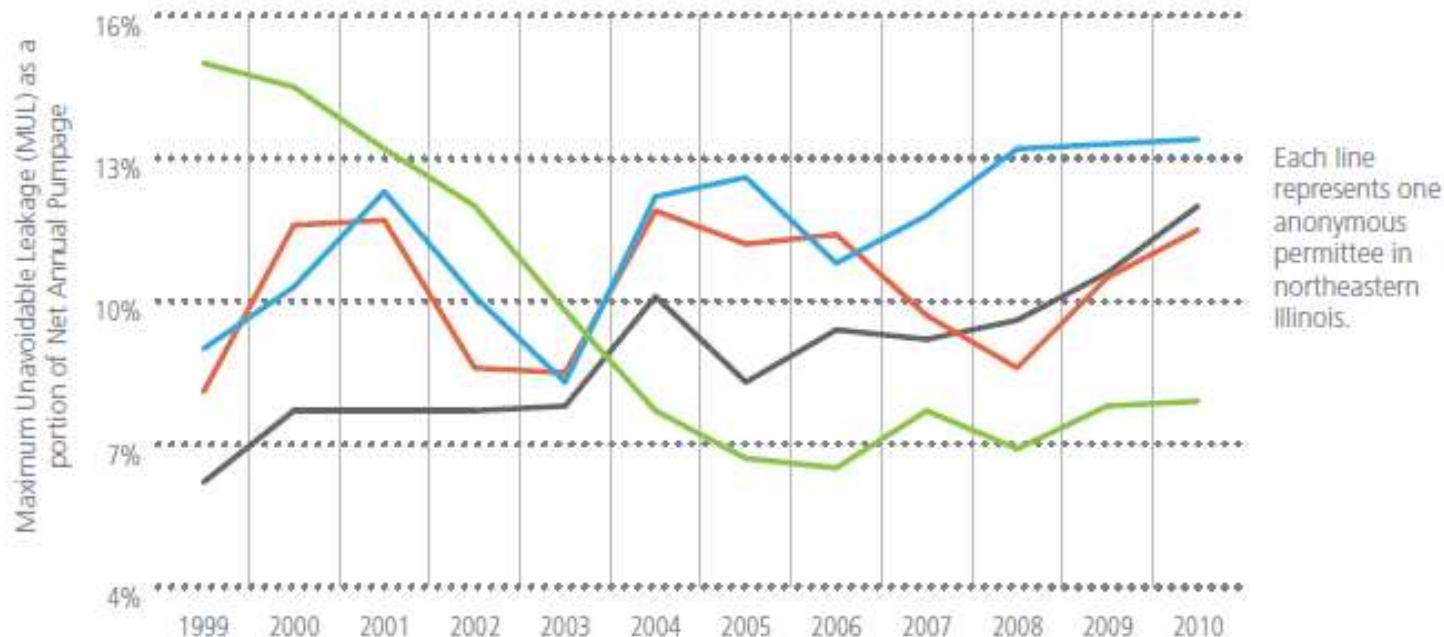
Problem #1: Accounting system



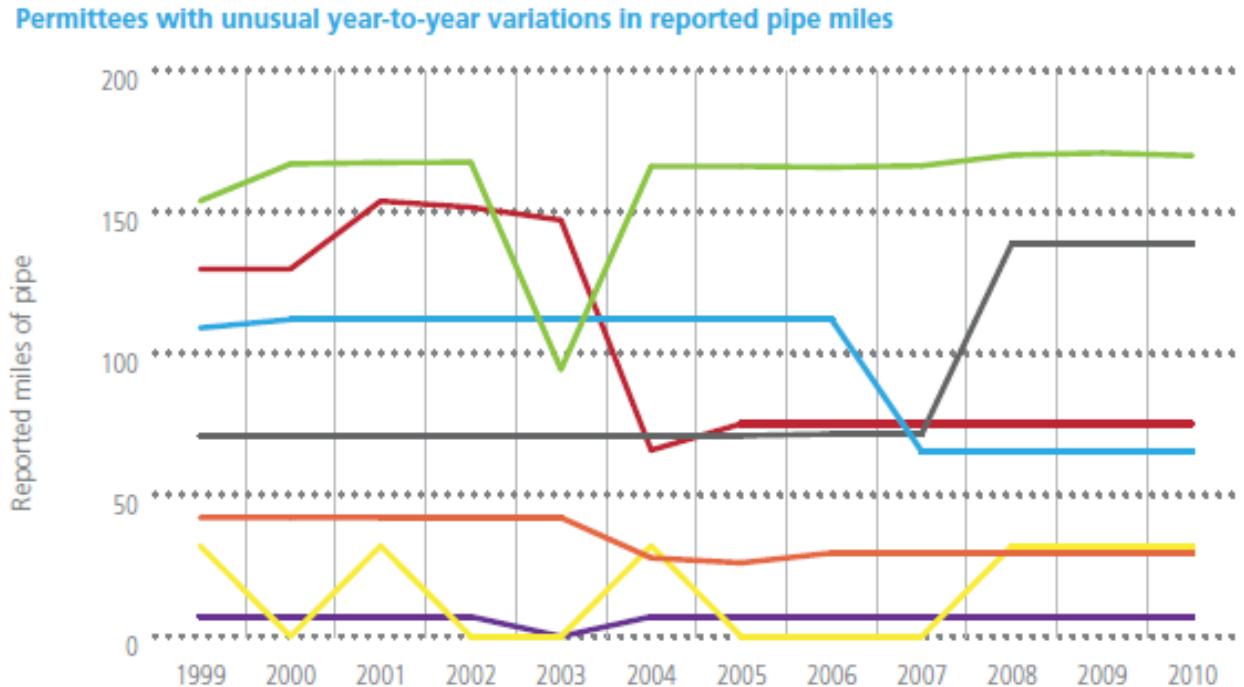
Problem #1: Accounting system



Permittees with extreme year-to-year fluctuations in reported MUL



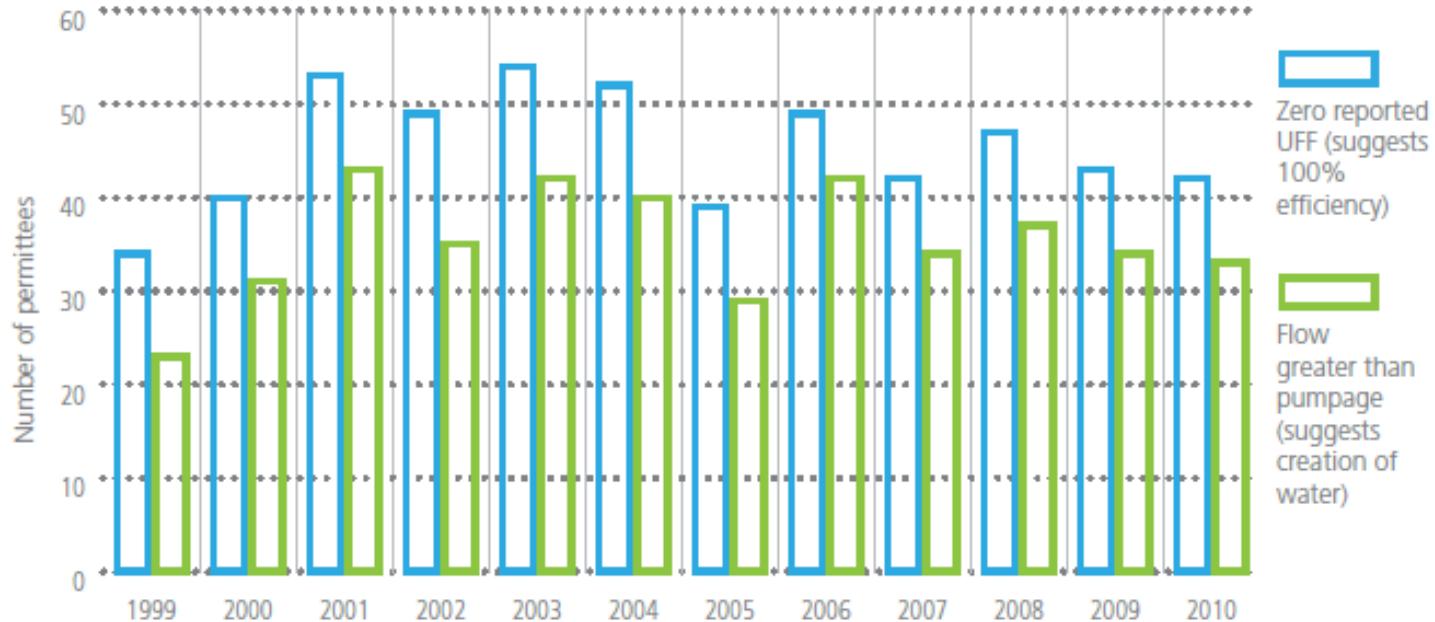
Problem #1: Accounting system



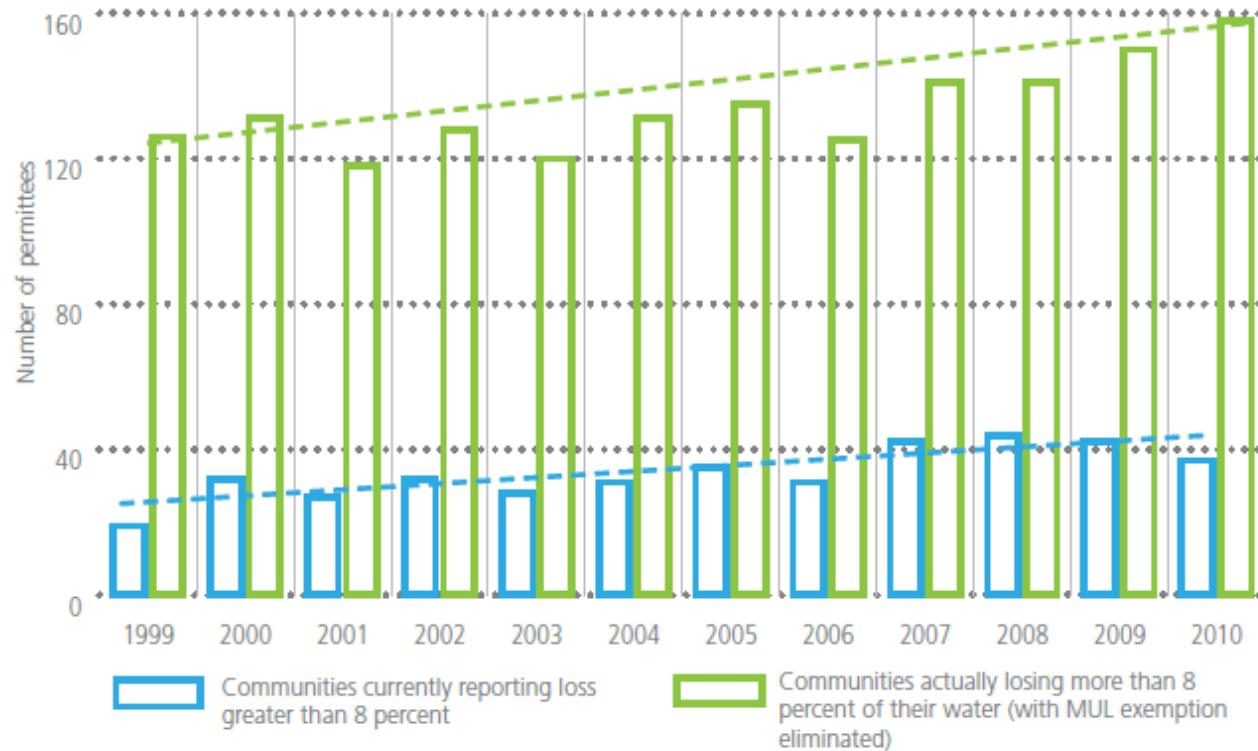
Problem #1: Accounting system



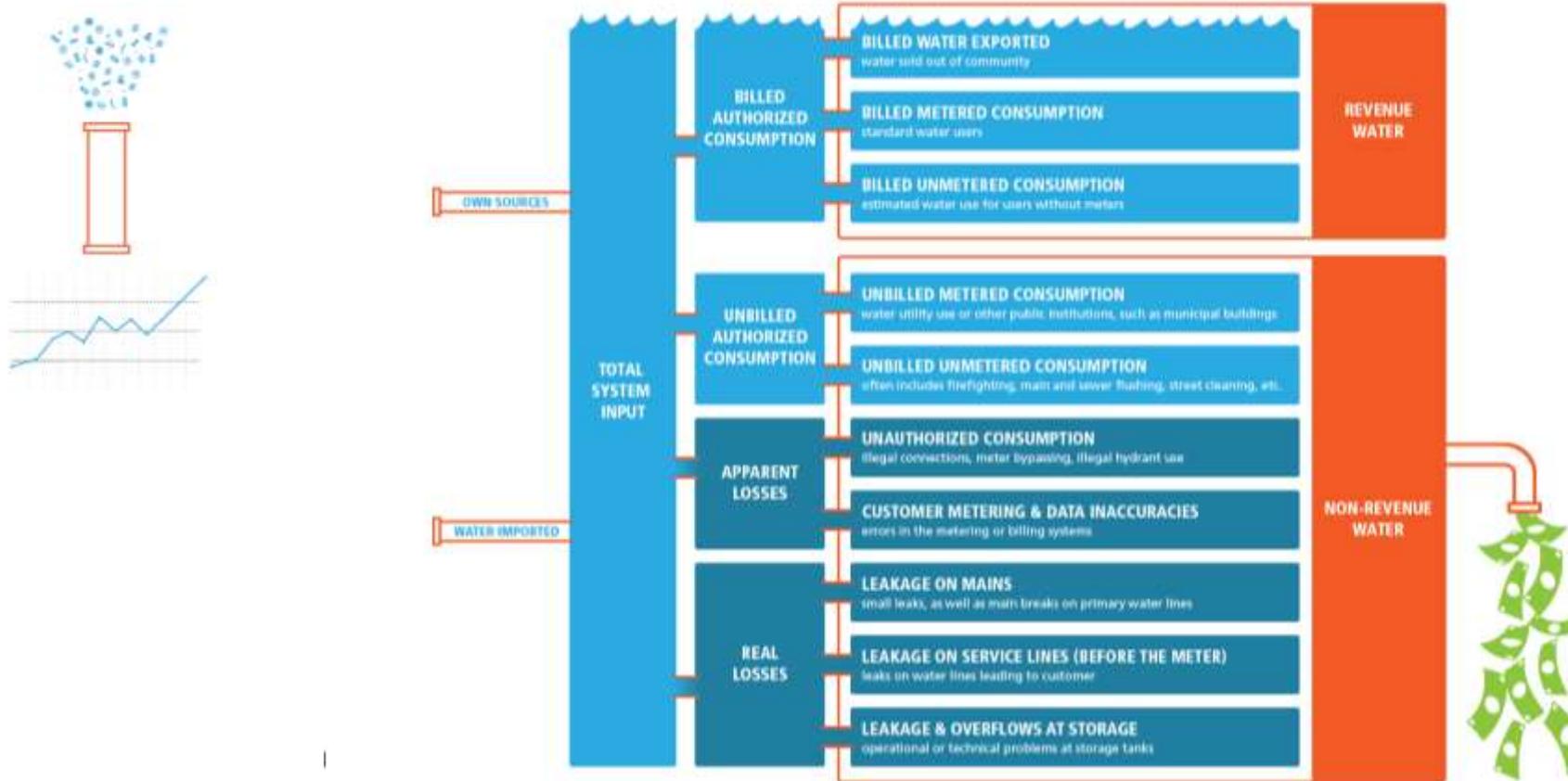
Current formula leads to impossible scenarios of zero water loss, created water



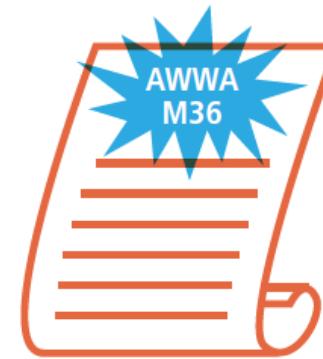
Life without MUL



Solution #1: Non-revenue water



Solution #1: Rethink performance metrics



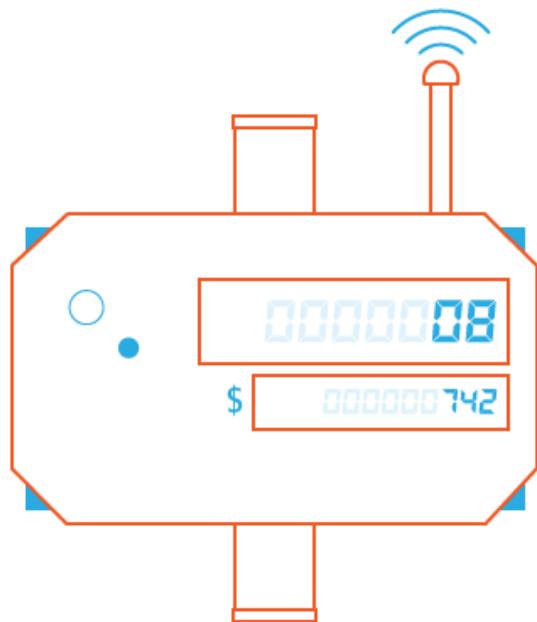
American Water Works
Association

Encourage communities to set water rates based on cost and use comprehensive metering

SOLUTION #2



Problem #2: Water rates & metering

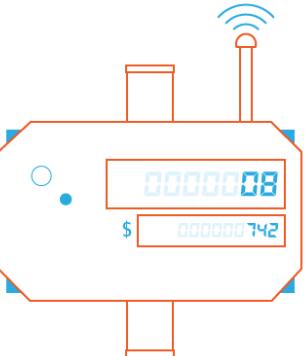


Problem: Water rates that don't meet costs & lack of meters to track use

Solution: Full-cost pricing & universal metering

Outcome: Sufficient revenue for system maintenance

Problem #2: Water rates



ILLINOIS DEPARTMENT OF NATURAL RESOURCES LAKE MICHIGAN WATER RATE SURVEY 2005

Page 1

Thursday, July 28, 2005

Current Rates in \$/1,000 gallons

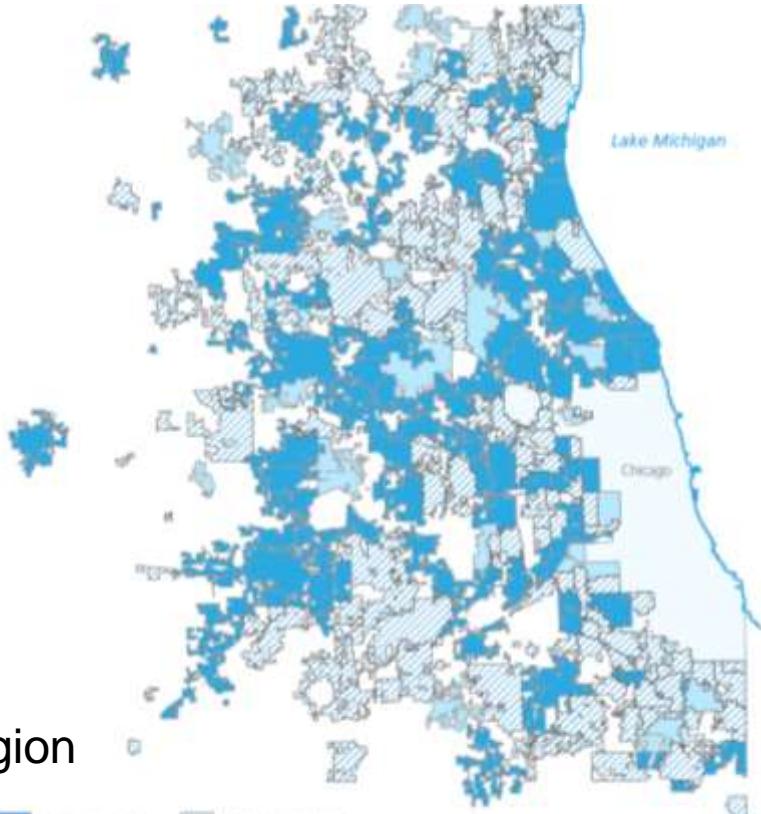
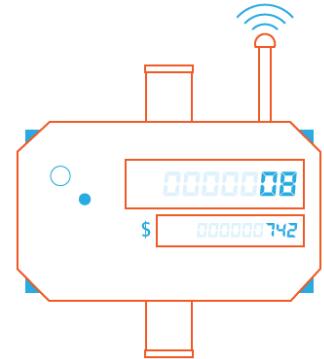
Rate Structure

Permittee	Residential	Commercial	Minimum Rate	Minimum Rate Description	Flat Rate	Declining Rate	Increasing Rate	Bill Frequency
Addison	\$3.71	\$3.71	\$14.60	for 2,000 gallons sewer included res./\$18.49 commercial	X			Bi-Monthly
Arlip	\$2.45	\$2.45	\$8.94			X		Bi-Monthly
Arlington Heights	\$3.66	\$3.68	\$15.00	Usage less than 5000 gallons	X			Bi-Monthly
Bannockburn	\$4.88	\$4.88	\$146.00	minimum bill per quarter	X			Quarterly
Beach Park	\$5.40	\$5.40	\$5.40		X			Bi-Monthly
Bedford Park	\$8.00	\$2.32	\$85.75	minimum 35,000 gallons		X		Monthly
Bellwood	\$4.74	\$4.74	\$4.74	minimum bill	X			Monthly
Bensenville	\$4.10	\$4.10	\$10.65	minimum bill	X			Monthly
Berkeley	\$5.60	\$5.60	\$27.05	2,000 gallons	X			Monthly
Berwyn	\$2.82	\$1.94	\$21.11	minimum bill			X	Quarterly/Mo
Bloomingdale	\$3.96	\$3.96	\$8.40	res./ \$19.80 comm - 5K gals	X			Bi-Monthly
Blue Island	\$3.04	\$3.04	\$6.08	minimum 2,000 gallons	X			Monthly
Bridgeview	\$4.24	\$4.24	\$4.24			\$1.67>2K		Monthly
Broadview	\$3.28	\$3.28	\$3.28		X			Monthly
Brockfield	\$4.92	\$4.92	\$36.80	res./\$12.27per month commercial	X			Quarterly/Mo
Buffalo Grove	\$1.80	\$1.80	\$11.00	\$5.50 per month commercial	X			Bi-Monthly
Burnham	\$2.25	\$2.25	\$22.50	minimum 10,000 gallons	X			Quarterly
Burr Ridge	\$2.50	\$3.95	\$4.65	fixed charge			\$5.60>80K	Bi-Monthly
Calumet City	\$2.79	\$2.79			X			Quarterly
Calumet Park	\$2.77	\$2.77	\$25.35	res.5K / \$11.58 comm. 3K		\$2.46>54K		Quarterly/Mo
Carroll Stream	\$3.25	\$3.25			X			Monthly
Central Stickney Sanitary District	\$2.93	\$2.93	\$4.50	service fee	X			Monthly
Chicago	\$1.33	\$1.33			X			Bi-Monthly
Chicago Heights	\$3.30	\$3.30	\$8.00	service charge	X			Bi-Monthly
Chicago Ridge	\$3.18	\$3.13	\$37.56	res/\$12.52 per month commercial	X			Quarterly/Mo
Cicero	\$3.42	\$3.42	\$25.65	first 7,500 gallons	X			Bi-Monthly

NOTE: The purpose of this Lake Michigan Water Rate Survey is to provide the reader with a summary of the current water rates of all Lake Michigan domestic permittees. The reader is cautioned that comparing water rates can be very misleading due to the multitude of factors that influence the determination of a water rate.

*Permittee is not currently using Lake Michigan Water

Problem #2: Metering



Inconsistent data on
metering across the region

100% metered
25 to 49% metered
75 to 99% metered
Unknown

Solution #2: Guidelines for full-cost accounting

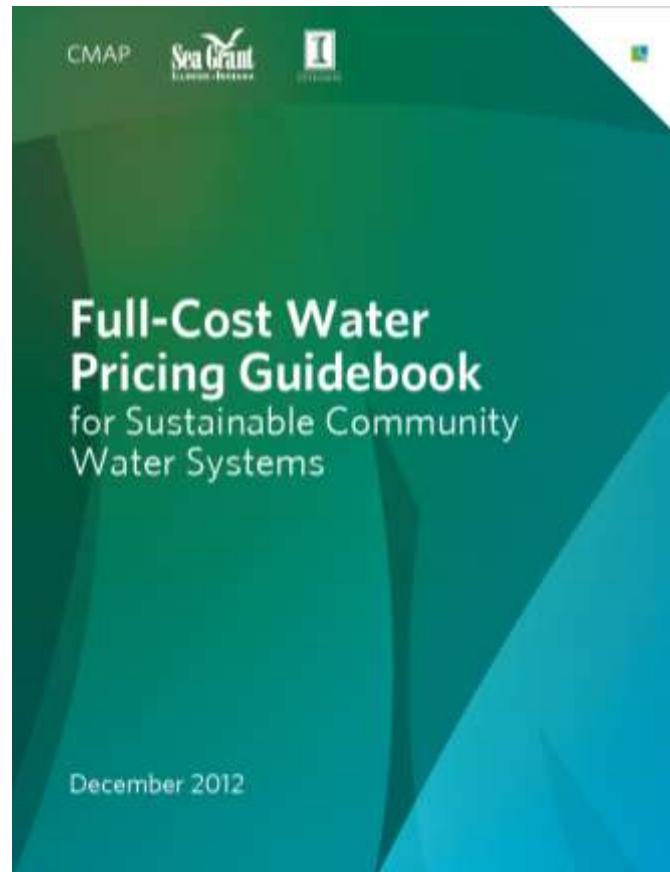
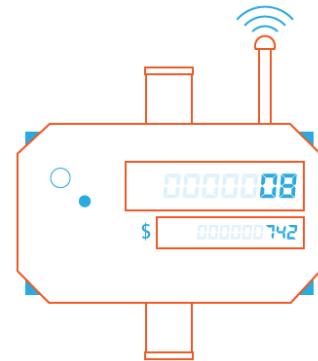
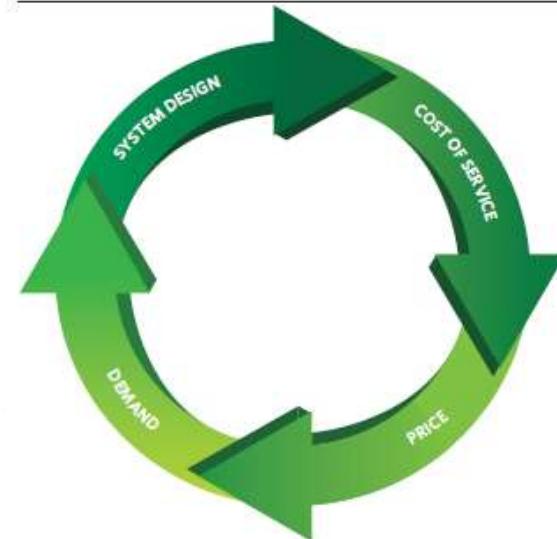
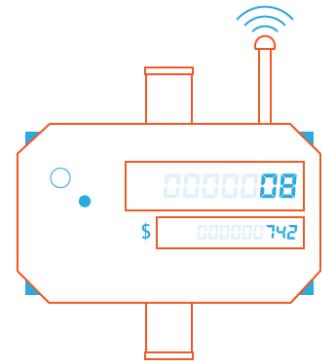


Figure 4. Role of price in system sustainability



Source: Beecher, Janice, Patrick Mann and James R. Landers. Cost Allocation and Rate Design for Water Utilities. The National Regulatory Research Institute, 1991.

Solution #2: Universal metering



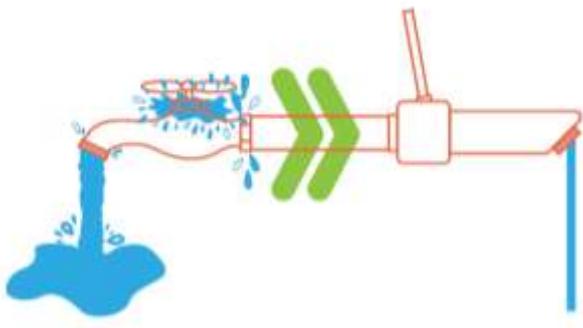
Require permittees to adopt modern plumbing standards

SOLUTION #3



Problem #3: Plumbing standards

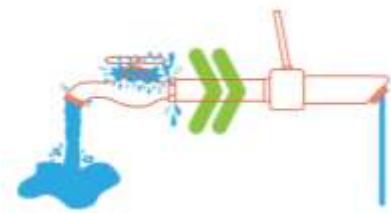
Problem: Inefficient plumbing & waste of potable water



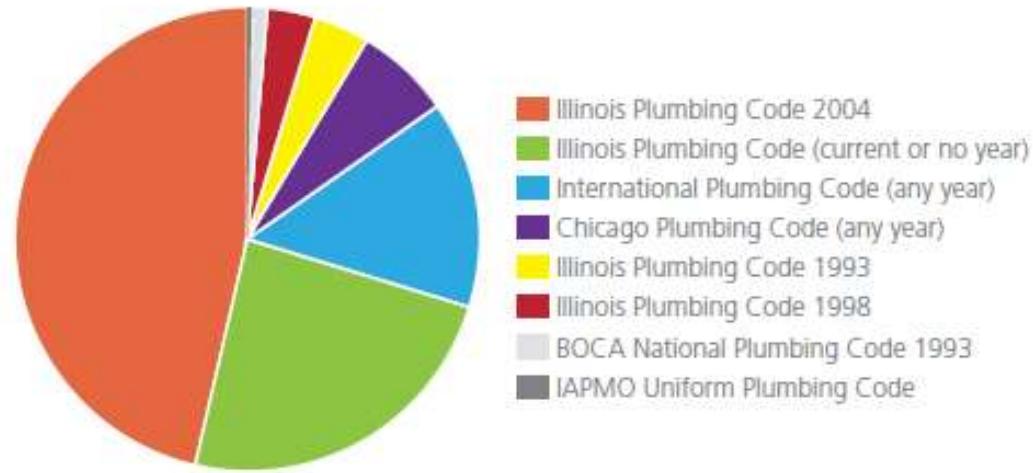
Solution: Modern plumbing standards & non-potable water reuse

Outcome: More efficient use of water

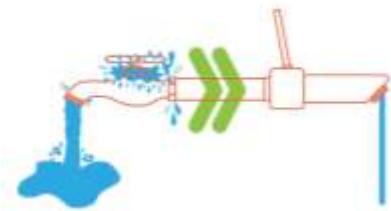
Problem #3: Plumbing standards



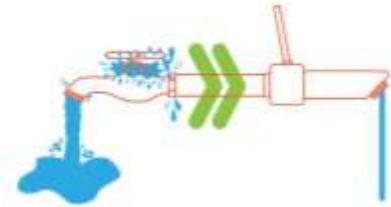
Municipalities often adopt an existing plumbing code rather than writing their own. This sample of 208 northeastern Illinois municipalities reveals a wide variety of codes in place.



Solution #3: Modern plumbing standards



Solution #3: Non-potable water reuse



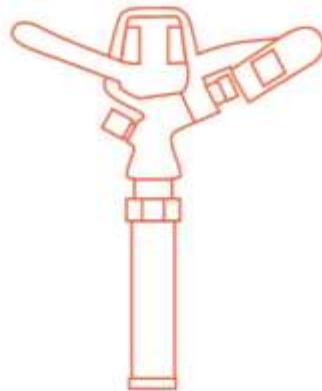
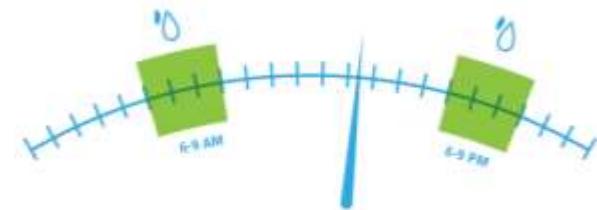
Strengthen and streamline outdoor water use standards

SOLUTION #4



Problem #4: Outdoor water use standards

Problem: Treated water used inefficiently for outdoor use



Solution: Stronger/consistent outdoor watering ordinances

Outcome: Reduce peak demand & potable water waste

Problem #4: Outdoor water use standards

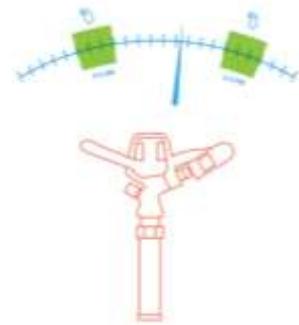
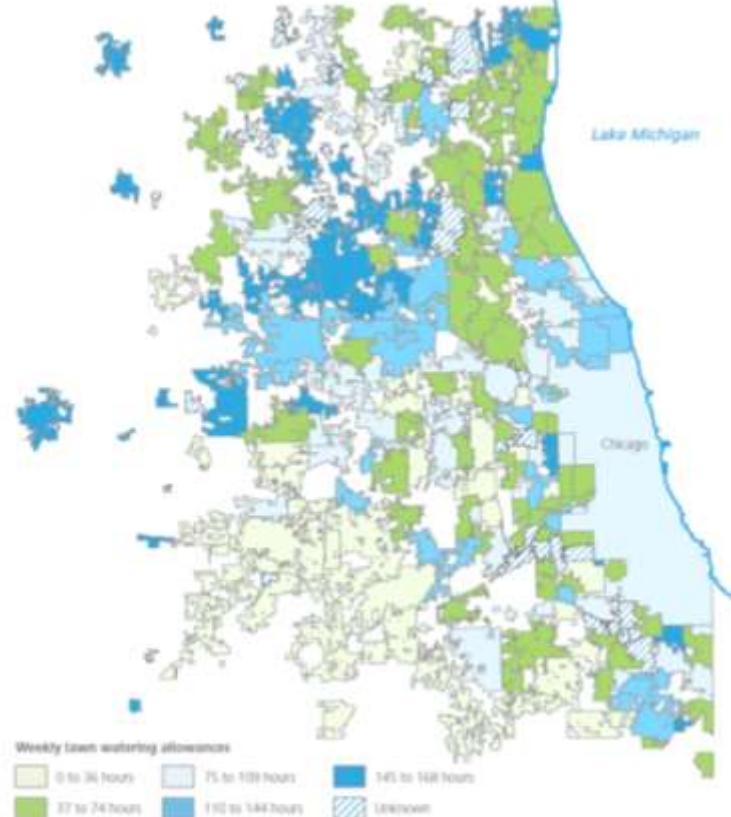


Fig 10. Inconsistent watering allowances among regional municipalities



Solution #4: Better outdoor water use standards

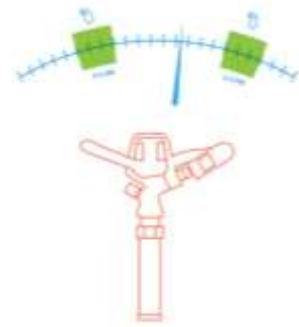
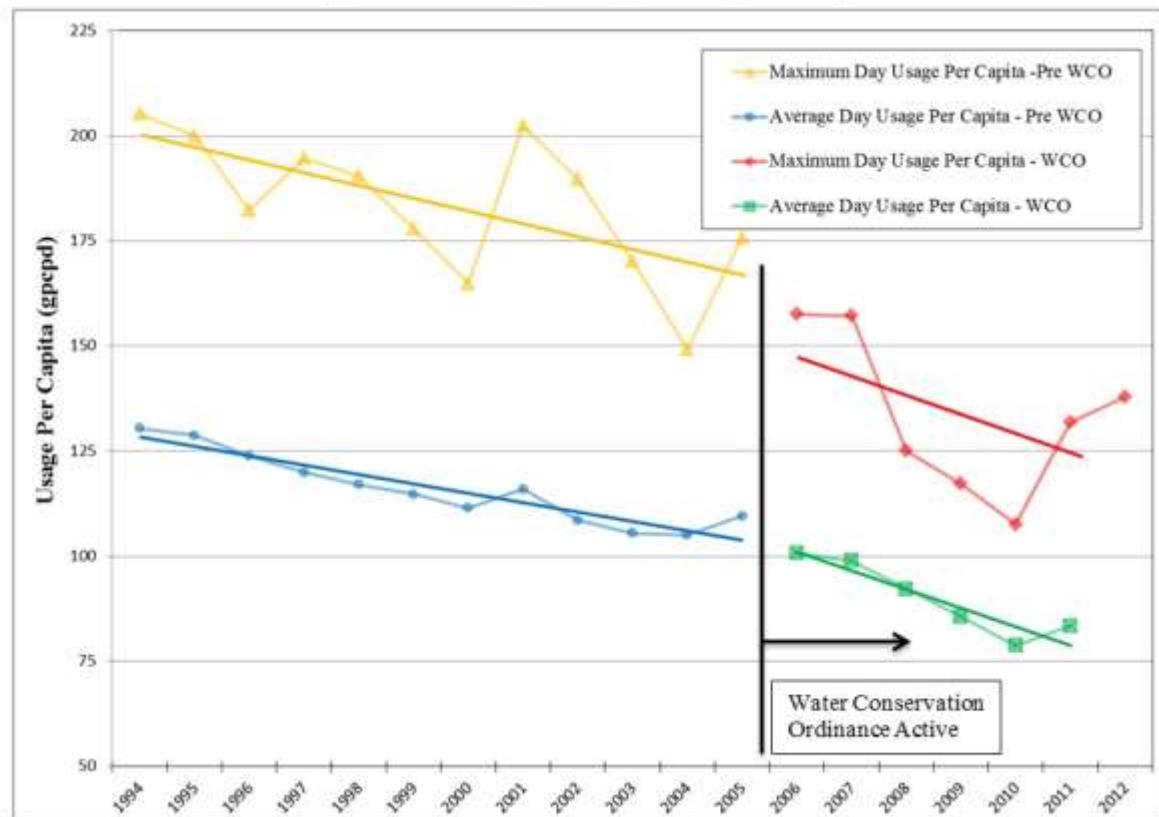


Chart 1 – Per Capita Usage Relating to WCO



Credit: City of Aurora

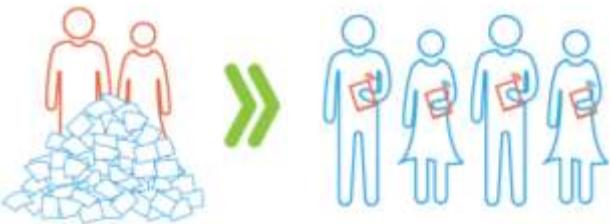
Increase the capacity of IDNR's Office of Water Resources to provide greater support to permittees

SOLUTION #5



Problem #5: IDNR capacity

Problem: Lack of IDNR staff capacity
for proactive measures & collaboration



Solution: Increase capacity for data analysis & working with permittees

Outcome: Improved regional water management

Solution #5: Increase IDNR capacity



Proposed source for revenue to increase IDNR's capacity

Part 1: Base data processing fee of \$1,000 = **\$202,000**

Part 2: Fee based on net pumpage (<1MGD, 1-3.9, 4-20, >20) = **\$89,750**

Part 3: Net loss as percentage of net pumpage = **\$148,250**

Part 4: Fee for >1mil gal unmetered use per day = **\$1,000**

Total: \$441,100

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metroplanning.org/waterloss



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