



The Facts About Your Water Bill

FACT SHEET

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What is going on with my water rates?

CUB receives thousands of complaints about utility companies each year, and some of the most passionate come from water customers. Reports of high bills are symptoms of the dramatic problems facing water systems in Illinois and across the nation.

These are the issues that lead to so much frustration for water customers in Illinois:

- **Public vs. private concerns.** Most communities in Illinois and across the nation have municipal water service, meaning the local government runs the water system. However, in recent years, private companies have acquired hundreds of systems across the country, and that can be bad news for water customers.

A Chicago Tribune investigation in late 2017 found that the prices offered by Illinois American Water and Aqua Illinois—the state's two biggest private, investor-owned water utilities—were 20 to 70 percent higher than municipal rates for the same Lake Michigan water.

- **Lack of funding for needed improvements.** Federal funding for infrastructure repairs has fallen from a high of nearly \$17 billion in 1976 to \$4.3 billion in 2014, and yet there is an acute need for repairs and upgrades. The Chicago Tribune discovered that some communities lose up to 38 percent of their water because of leaky pipes.

On top of that, the Flint, Michigan water crisis—where insufficient water treatment led to residents being exposed to high levels of lead—has increased concerns about replacing lead pipes.

(Regarding lead: If you are concerned about lead in your drinking water, use a water filter, which you can buy at a local hardware store for \$25 on up.)

Why do water bills get so high?

- **Water loss:** Last year, Chicagoland municipalities lost 25 billion gallons—or about \$9 million worth of water—due to leaky pipes. One community lost 38.7 percent of its water.

- **Upgrades:** It's expensive to replace deteriorating pipes, pumps, hydrants, and meters. The Chicago Tribune, citing the Illinois Department of Natural Resources, found that a quarter of pipes pumping water from Lake Michigan are more than 60 years old.



- **Other municipalities:** Your bill may get higher the farther you live from Lake Michigan, because municipalities that are closer will charge you for that water. There are communities that receive Lake Michigan water after it passes through several other communities, with each transaction generating a markup.

- **How your water usage is measured:** Do you actually get metered for your water use? Some municipalities may only charge you a flat fee for your water service, which means you don't get charged for your actual water usage. This can lead to a lot of customers paying more than they should. It also takes away the incentive to be efficient. Why save water if you can't save money?

Chicago's MeterSave program offers residents the chance to have a meter installed in their home so they can save water and money. (See our fact sheet on the MeterSave program.)

- **Billing frequency:** Some communities may bill you once every few months, which means larger, albeit fewer, bills.

- **Inefficiency at home:** The Environmental Protection Agency reports that the average family can waste 180 gallons per week, or 9,400 gallons of water annually, from household leaks. That's enough water to wash more than 300 loads of laundry.

- **For-profit utilities:** Private water utilities are motivated by profit—Illinois American recently secured an excessive profit rate for shareholders of nearly 10 percent in a case before state regulators. Rate hikes also cover the private utilities' costs when they buy another town's municipal water system.

What can I do?

Contact your state legislators. There isn't much state legislators can do about municipal water systems, but state laws can protect customers of for-profit water utilities. Contact CUB to inquire about what legislative reforms you could urge your state legislators to pass.

Fight for change at the local level. Frustrated about your water bills? Gather your friends and neighbors in town to take action:

- Raise the issue at a city council or town meeting.
- Start a petition drive in your community.
- Make sure to contact your alderman, and for good measure, call the local office of your state senator and representative to complain.

How can I save money at home?

The average American uses 80-100 gallons a day at home. Families spend more than \$1,000 annually on water bills.

Here are a few simple tips to save water and cut your bills by potentially hundreds of dollars a year:

- Wash larger loads of laundry. Smaller loads can quickly add up. You'll save water by not running so

many cycles (and you'll be helping out your gas and electric bills as well)..

- Turn off the water during daily activities like brushing your teeth. This can save up to 20 gallons of water per person a week. If you use a dishwasher, only run full loads.
- If you wash dishes by hand, don't leave the water running for rinsing. If you have two sinks, you can fill one with rinse water. If you have one sink, gather all your washed dishes in a dish rack, then rinse them quickly with a spray device or a pan of water.
- Keep a bottle of drinking water in the refrigerator. This puts a stop to the wasteful practice of running tap water to cool it for drinking.
- A typical shower uses five to ten gallons of water a minute. Limit your showers to the time it takes to soap up, wash down and rinse off.
- Wash your hands with cold water. Washing your hands with soap and cold water is just as effective as washing them with hot water. Switching to cold means you'll waste less water if you're not waiting for the water to get hot.

How do I get a free assessment?

Several gas and electric utilities (Peoples/North Shore Gas, Nicor Gas and Commonwealth Edison, for example) offer energy assessments in which you can receive free water- and energy efficiency items, such as faucet aerators, light bulbs and a low-flow showerhead. Contact your utilities for details.