

2015 SNWA Rate Increase

Frequently Asked Questions

Why is the Southern Nevada Water Authority (SNWA) increasing water bills?

The SNWA is moving forward with the design and construction of a new low lake level water pumping station to ensure Southern Nevada's access to water in Lake Mead even in dire drought conditions. To generate the revenue necessary to fund the \$650 million project, the Integrated Resource Planning Advisory Committee recommended a rate increase.

How will my bill increase?

If approved, a typical residential customer with a 5/8 or 3/4-inch meter will see an increase of \$2.41 (or 8 cents per day) on their monthly bill starting in 2016, eventually increasing to \$4.81 (or 16 cents per day) by 2018. Rate increases for larger meter sizes will vary.

Didn't the SNWA just raise rates last year?

In 2014, the SNWA implemented a rate increase to fund its annual debt service payment, which was scheduled to increase by nearly \$100 million over the next three years. The projects associated with this debt service include the large capital projects that were constructed in the 1990s and 2000s to provide a safe and reliable water supply in Southern Nevada.

Will this increase make water bills unaffordable?

Even after the additional charge is incorporated, water bills in Southern Nevada will remain competitive when compared to the average Western city despite our arid climate. Cities with similar traits such as size, population or climate such as Santa Fe, NM; San Diego, CA; Phoenix, AZ and Seattle, WA all pay higher water rates than Southern Nevada.

How are businesses with fire line meters affected?

Fire line meters will not see any increase.

Why doesn't the SNWA just reduce its salary expenses instead of increasing charges?

Although the SNWA's personnel costs represent a very small percentage of its operating expenses—about 14 percent, the SNWA has taken significant actions to become an even more efficient organization. In the past few years, the SNWA has undergone significant reorganization aligned to Southern Nevada's changing economic conditions. By combining engineering departments and subgroups, the agency is better prepared to respond to the changing needs of Southern Nevada with a leaner and more effective workforce.

Why is a low lake level water pumping station necessary?

Despite the measures taken by the SNWA and other Colorado River partners to minimize elevation declines in Lake Mead, forecasts from the Bureau of Reclamation indicate that lake levels will continue to drop should drought conditions persist. As part of Southern Nevada's response, the SNWA is constructing a third intake at Lake Mead that is expected to be operational in summer 2015. The new intake will initially utilize SNWA's existing pumping facilities to draw water from the lake. Although these pumping facilities have served our community for decades, they are not capable of pumping water from below elevation 1,000 feet. Therefore, it is necessary for the SNWA to construct a low lake level pumping station capable of lifting and conveying water from the lowest lake elevations. Once constructed, the new pumping station will have the capacity to meet Southern Nevada's water demands, even if Lake Mead reaches "dead pool" – the point at which water can no longer be delivered from the lake to downstream users in California, Arizona and Mexico.

How is this increase related to the pipeline project to White Pine County?

This rate increase will not be used to build the in-state groundwater project, which is still in the permitting stage. This rate increase is used to fund a new low lake level pumping station.