

## WPCAG Workgroup Proposal

### Topic

Conservation Pricing and Rate Recovery Analysis

### Background

This workgroup was proposed as part of a discussion following a report from the Drought Workgroup to Implementation Workgroup about water utilities often having to choose between generating revenue and encouraging their customers to conserve water on a daily basis and implementing restrictions during drought. And while some incentives have provided solutions to some water utilities, not all utilities can take advantage incentives for various reasons.

### Purpose

To provide a report that identifies the various regulatory and operational barriers that prevent various categories of utilities from taking advantage of conservation pricing available. This report is meant to assist the Alliance for Water Efficiency in its work on the **“Review the revenue loss issues arising from conservation programs and recommend solutions for addressing this problem”** deliverable to the WPC.

### Scope

Identify regulatory and operational barriers that prevent all utilities from taking advantage of conservation pricing programs that are available.

### Workgroup membership

The workgroup is open to all who have an interest in the subject matter but should include various stakeholder groups.

### Existing Resources

Report from previous conservation pricing workgroup