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The Buffalo Water Board Announces a new Rate Structure and Affordable Water Program, beginning January 1, 2019

First rate increase since 2012

BUFFALO, NY – On Wednesday the Buffalo Water Board, which serves the residents of the City of Buffalo, and many public facilities, commercial, industrial, and private businesses, announced that it is restructuring rates and launched an affordable water program, beginning at the start of the New Year. The new rate structure will increase a typical consumer's water bill by \$5 per month. The Residential Affordable Water Program, a new component of Buffalo water's existing water equity program called Pathways to Affordable Water, will be available on January 1, 2019 for qualifying customers and is aimed at making water affordable for all. The Pathways to Affordable Water Program is an important element of the Buffalo Water Board's financial plan to create equitable rates for its residential customers at all income levels.

"I am excited that the Buffalo Water Board has taken a major step by launching the Residential Affordable Water Program. With the launch of this program, Buffalo Water is helping to ensure that everyone has access to affordable water. This new program is a welcomed addition to our Pathways to Affordable Water Program," said Oluwole "OJ" McFoy, Chair of the Buffalo Water Board.

The Residential Affordable Water Program is designed to assist residential customers who have low incomes, according to income and family size levels, as determined by the federal government. Customers who qualify as low income will receive a \$60 credit per year, and customers who qualify as very low income will see at \$90 credit per year. Earlier this year, the Buffalo Water Board partnered with the US Water Alliance in forming a Water Equity Task Force by partnering with several local stakeholder organizations to ensure that our new equity program supported our most vulnerable customers. These stakeholders include: Groundwork Buffalo, the Community Foundation for Greater Buffalo, PUSH Buffalo, and the Western New York Environmental Alliance. The Task Force has worked collaboratively in developing a new rate structure aimed at creating equity between industrial, commercial, and residential customers, while considering the financial needs of the water system. In addition to launching the Residential Affordable Water Program, the Water Board also put in place a new rate structure that will include an increase in the current water connection capacity charge of \$5 per month, for the typical resident, and with further increases for customers with larger water meter capacities to be more in line with equivalent meter ratios recommended by the American Water Works Association. Due to the City's aging infrastructure and Buffalo Water Board's goal of providing a continuous supply of high quality water, significant reinvestment is required. One of the key reasons the Buffalo Water Board increased rates this year was to maintain financial integrity as a result of cost increases for operations and maintenance, as well as necessary capital improvements.

Board Chairman McFoy continued, "In the past 10 years, Buffalo Water has invested almost \$150 million to improve our public health assets and ensure safe drinking water. Our water quality investments have included award winning projects that have significantly lowered energy costs. In the next five years, we are planning to spend \$108 million on capital improvements to maintain our critical infrastructure."

Buffalo Water's Pathways to Affordable Water and the new Residential Affordable Water Program's mission is to further protect public health, improve and maintain that water system, and provide affordable services, especially to its low income and vulnerable customers. Water affordability is a growing concern across the nation and Buffalo Water is committed to ensuring that everyone has access to affordable water service, while also ensuring that there are adequate resources to cover rising operating and maintenance costs. For more information on Pathways to Affordable Water and the new Residential Affordable Water Program, as well as applications for residents to sign up, go to <u>http://www.buffalowater.org.</u>

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