

## Water Policy is Social Policy

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SAWS' proposed rate structure is setting social policy – and bad policy at that.

SAWS is in the early stages of two extremely expensive water supply projects (desalination and Vista Ridge pipeline). Who should have to pay for water that expensive?

SAWS' rate structure unfairly favors the heaviest corporate users – the real drivers of water demand. The proposed rate structure *reduces* the fixed charges and the cost per 100 gallons for corporations, charging the heaviest users far lower monthly bills.

At the same time, the rate structure *increases* - even before rate hikes over the next 5 years - the already burdensome fixed charges for residents. That is regressive social policy – hurting low-income far more than high-income families.

A better water policy is possible. And City Council should make it happen now.

Now, because the historical injustices leading to current unfair water policy will be compounded by huge annual rate hikes. Now, because the extremely expensive Vista Ridge project should be carefully reconsidered in light of a better water policy. Now, because unjust SAWS rates will cause ever-greater inequality that threatens the social fabric of our community.

SAWS has long charged extremely low fixed rates to businesses. Take, for example, an actual (but unnamed) 500-room hotel that is one of the biggest consumers of water in San Antonio (though not the largest hotel by far). This hotel consumes more than 4,500,000 gallons per month – roughly the amount used by 750 families.

Before 2009, the monthly fixed charge for a hotel was *exactly the same* as that for a family. Thus, that 500-room hotel was paying the same fixed charge as its employees were *each* paying for their families' water.

Under SAWS' proposal, this water-wasting hotel is eligible for the bottom commercial price tier, so long as it didn't use more than the prior year's monthly average. In fact, because the proposed rate structure significantly *reduces* the rates for businesses, this hotel could waste an additional million gallons per month, priced at the second tier, without increasing its bill. Hardly a way to promote conservation!

The proposed rate structure *reduces* this hotel's water bill by more than \$1200 per month. That sum is about the same total that SAWS demands, in *increased* fixed charges, from 600 families – including the families of the hotel's own workers who earn far less than a living wage!

Given the strong growth in San Antonio's business income and the relative stagnation in workers' wages, why does SAWS set the fixed charges and usage rates so low for profitable businesses – especially those that use so much water?

Could it be that SAWS is "taxing" the residents to subsidize profitable businesses and to attract other "water intensive" businesses, like Niagara water bottling, to come to San Antonio to take advantage of our cheap water?

Is that what you, Mayor Taylor and City Council members, intend as San Antonio's social policy?

Do you imagine that such a rate structure is good for San Antonio's economy? Wrong! It is forcing the middle- and lower-classes disproportionately to pay the costs, while Vista Ridge investors, developers, and the corporations that use our water are the ones to profit. It is a recipe for increased inequality.

A better water policy would prioritize the people of San Antonio – both those who live in single-family and multi-family housing. They deserve a true Lifeline Rate – based on per capita household income and per capita water usage – at a low enough cost that they don't have to seek charity to keep their water on. Their fixed charges should go up only as fast as their incomes.

Insist that corporations pay their full share of both fixed and volume-related charges. Cheap water must never be an incentive for businesses to come here, especially not if it comes from working families' pockets. Remove the welcome mat for water-guzzling businesses. They will jeopardize our water future.