

# The Daily Courier

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## **Talk of the Town**

### **Column: What is the right price for effluent?**

By HOWARD MECHANIC Special to the Courier

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In the recent past, when water supplies were considered to be abundant or, at least, adequate, effluent (water from treated sewage) was generally considered a waste product. There was little interest in recycling the water for local reuse. Communities just wanted to find the least expensive way to dispose of it.

However, in arid areas such as Prescott, effluent has become nearly as valuable as potable water. When effluent is recharged to our aquifer, it can be used to obtain credits to allow subdivisions to be built that would otherwise be prohibited; or credits can be relinquished and the water can be left in the aquifer to reduce our overdraft and help us reach safe yield. In either case, recharging effluent to the aquifer reduces our need to obtain new sources of water. Consequently, its price should reflect the cost of obtaining new sources of water.

Currently, most of our effluent is recharged to the aquifer. A little less than half of the effluent we generate is used to water four golf courses and to supply a manufacturer. With the exception of the two city-owned golf courses, Prescott entered into long-term contracts with the users and priced the effluent at about 7 percent to 15 percent of the price of potable water.

The contracts were written before our area was officially declared to be out of safe yield in 1999, when some public officials were skeptical of the fact that we were in overdraft. Before 1999, there were no limits on how much groundwater our area could pump, so there was little economic incentive to use recycled water. The value of effluent was not fully appreciated, and there is nothing we can do about those contracts now.

Several large customers, and potential customers, including the proposed "Field of Dreams" baseball camp, have recently inquired about using some of Prescott's limited available effluent. New contracts should be structured to reflect the true value of recycled water. However, since Prescott cannot increase the price of effluent to the private golf courses that have long-term contracts, we do recognize the competitive disadvantage it could create for the city's Antelope Hills golf courses, and a separate subsidy apart from water could be considered.

As discussed above, direct use rather than recharging our recycled water reduces our available water supply and requires us to obtain an equal amount from new sources for other uses. New sources are sure to be very expensive.

The reasons to avoid underpricing effluent include: 1) underpricing encourages overuse and discourages conservation. Nationally, the price charged for water has been found to be the greatest

factor by far in increasing water conservation, and 2) Prescott's water and wastewater enterprise funds are structured to break even. Underpricing water for some users makes water unfairly more expensive for others.

While in some cases it may be worthwhile for Prescott to pay for some of a project's infrastructure to attract a business (such as Field of Dreams), neither potable nor recycled water should be intentionally underpriced because of the resulting disincentive to conserve. Other subsidies of equal value can be evaluated and considered.

In general, we prefer to see effluent rather than potable water used to water golf courses and ball fields even if the replacement values are comparable. Feeding the nutrients and chemicals remaining in the effluent to grass is preferable to adding the contaminants to our aquifer water source. However, the infrastructure, including separate pipes for supplying effluent to facilities distant from our treatment plants, is expensive to construct. In such cases the city needs to weigh that cost with the environmental benefit of using effluent for watering rather than for recharging the aquifer.

Prescott hasn't reviewed the price of effluent since before we were declared to be out of safe yield in 1999. The city needs to determine the appropriate price for effluent before it arranges sales to a new customer or before renewing sales to any existing customers. In addition, Prescott should decide on its priorities for use of limited available recycled water. First come, first served may not be the best strategy.

Please send your questions and comments to [info@cwagaz.org](mailto:info@cwagaz.org). All the presentations from the Nov. 13 CWAG/VWA forum "Recharge of Wastewater to Groundwater: What Are the Risks?" are now under the "video" tab at [www.cwagaz.org](http://www.cwagaz.org).

Howard Mechanic is chair of the Public Policy Committee of Citizens Water Advocacy Group.

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