

# System Regionalization

For:

**Environmental Management Commission's Water  
Allocation Committee (WAC)**

By:

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**HICKORY**

North Carolina

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# Regionalization

There is no one size fits all approach to regionalization.

“Inefficiency is more tolerable when it is inexpensive.”



## Regionalization

# City of Hickory

- Hickory City Residents
- Town of Catawba
- City of Conover
- City of Claremont
- Alexander County
- Energy United
- Catawba County
- Caldwell County
- Town of Taylorsville-Connection
- Icard Water Corporation
- City of Mooresville-Connection
- Private Water Systems



# Regionalization

## What is Regionalization?

- Consolidation?
- Ownership Transfer?
- Or could it be more...
  - Operations
  - Management
  - Contract Sales



# Regionalization

The integration or consolidation of the physical water system for the improved planning, operation and/or management of the system.



# Regionalization

- Economies of Scale
- Standard cost of treatment
- Standard cost of distribution



# Regionalization

Treatment – Cost of physically treating the water for use or consumption. Includes chemicals, power, staff, infrastructure.

Distribution – Cost of physically providing the water to the individual users. Includes pipelines, tanks, meters, staff.



# Regionalization

- Local Control
- Economic Development
- Capacity  
(Excess or lack of capacity)





# Regionalization

## Allows Basin Wide Approach

- Local Water Supply Plans
- Catawba Waterree Management Group
- DMAG
- Conservation



# Regionalization

## Regulatory Compliance

- **Lead and Copper Rule**
  - Optimal Corrosion Control Established by Treatment Facility
- **TTHM & HAA5**
  - Coordination of samples required
- **Chlorine Residuals**
  - Distance from Treatment Facility/Water Age
- **System Flushing**
  - Must consider who performs flushing & who assumes the water loss.



# Regionalization

## Contracts and Agreements

### Options include

- Capacity in Facility with master meters
- Master meters as customer
- Revenue Share with operations and maintenance agreement
- System acquisition or purchase



# Regionalization

- Regionalization must be beneficial to each organization in the agreement.
- Efficiency will increase with a holistic approach, making partnerships more cost effective.



# Regionalization

Questions?



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