



What is the true cost of service?

# **WATER AFFORDABILITY**

# What is the true cost of service?

- ◎ Price of water = Cost of service?

- System (under) maintenance
- (Little) capital reserves fund capital repair/asset replacement
- (No) training for capacity building of the workforce

⇒ are we paying the right price of water?

- + Wastewater treatment (compliant effluent discharge) part of water cycle ⇒ costs

⇒ right price??

# Mandatory

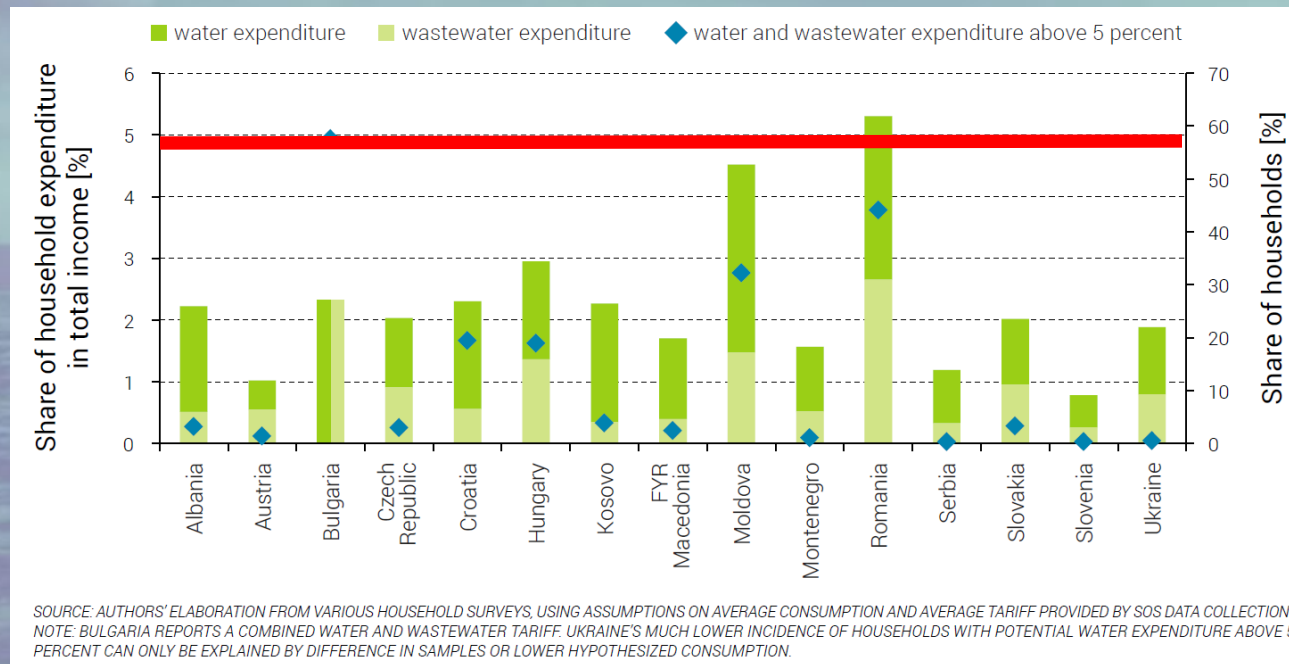
- Safe drinking water at tap
- 24/7
- Compliant treated wastewater discharge into streams

Q. Do we actually want to provide drinking tap water?

Amount of water drunk  $\ll$  Actual amount of water delivered

# Water is still very affordable

- Despite all the existing associated direct/indirect costs



- Additional investments in better systems, better management, better testing... Who's got to pay for all that? Can we pay for that?

# Questions

- Do the utility managers really understand what their job is and the proper level of expenditures needed to do that job?
- Do the regulators understand that they do not exist solely to "protect the consumer" and approve tariffs applying "affordability judgements", but rather to ensure that standards are met and performance is cost efficient?
- Do the politicians understand what it means to have full access to safe drinking water and to protect the environment in a sustainable manner?
- Do the consumers/customers realize that water is not a benefit provided by the government, but a service provided by a company that respects commercial practices and compliance with the law?