



## Save the City's Water

By David Glasner and Thomas Doyle

**N**EW York's water crisis continues and the response of city officials is to arbitrarily restrict usage, exhort us to conserve, and pray for rain. When the drought eventually ends, water authorities ought not congratulate themselves on their handling of another crisis. What they should do is realize that universal water metering is the best long-term solution to New York's water problem and announce their intention to begin metering by the end of the decade.

There are 140,000 commercial and industrial buildings in New York that, by law, are metered. The problem is that there are 630,000 unmetered buildings that pay a uniform water rate no matter how much they consume. These residential buildings use about two-thirds of the 1.4 billion gallons of water pumped daily in the city.

England's water authorities have recently recommended installing computerized meters, which will be available in a few years, to solve that country's water payment problem. This is an eminently sensible idea that should be pursued immediately by New York's water officials if they want to avoid another crisis like this summer's.

Currently, England's water users

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are charged water rates based on the assessed value of their property. However, Prime Minister Margaret Thatcher is seeking to abolish "domestic rates" (the British equivalent of property taxes), which are used to finance local government services. Property values would no longer be estimated, and so the basis upon which water charges are levied would be eliminated. Computerized meters have emerged as the solution to England's water problem.

Water experts agree that metering reduces water consumption by 10 to 30 percent. Users pay bills that reflect their actual consumption so they have an incentive to install water-saving shower heads, repair leaking faucets, and cut down on nonessential uses of

### Computerized meters could be the answer to the problem

water. Currently, unmetered residential water users in New York have no such incentive.

But metering alone is not enough. Many municipalities in the metropolitan area already meter water. However, the charges are now set to cover only the operating and maintenance costs of the water distribution system. To prevent shortages, water authorities must adjust charges to reflect conditions of supply and demand.

The Boston suburb of Wellesley provides an excellent example of the effects of a pricing policy. From 1970 to 1981, Wellesley experienced water shortages lasting about 10 days each summer. In June 1981, water authorities began charging higher rates during the summer when demand was highest: \$1.60 versus \$1.10 for 100 cubic feet. Since then the town has ex-

perienced no shortages.

In addition, the extra revenues generated by the higher price during the summer allowed Wellesley to set a lower water price for the rest of the year. This lower price helped reduce public opposition to the higher summer rate.

The primary objection to pricing water is that the cost of installing and checking water meters is greater than the likely benefits from increased conservation.

Computerized meters, however, will allow meter reading to be carried on at a distance, so meter readers will not need to visit every house. This will dramatically cut labor costs. In addition, computerized meters would allow flexible charging, so that rates could be increased during periods of peak demand, providing added incentives for conservation. The meters that are currently being used do not have these cost-cutting and pricing capabilities.

Water officials should inform private meter companies of New York's intent to begin computerized metering by the end of the decade. This would undoubtedly speed up the development of a computerized meter with benefits in increased conservation, reduced outlays for water supply projects, and economically rational water prices that would more than cover its costs.

New York is planning to spend \$4 billion for water-related projects over the next 10 years. Reductions of 10 to 30 percent in water consumption after metering, like those that have occurred elsewhere, would enable New York to substantially reduce this \$4 billion outlay. The savings could easily pay for meters. The solution to New York's periodic shortages is not more water supply projects but less water consumption.

The choice New York water officials face is simple. They can limit the use of water by an efficient method that gives each of us an incentive to conserve, or they can continue the policy of futile exhortations inevitably followed by Draconian and inefficient controls. □

Bob Gale