NC Policy Collaboratory

COVID-19 RESEARCH SPOTLIGHT

Identifying and Mitigating the Financial Impact on Water and Wastewater Utilities

On August 26 2020, Shadi Eskaf, Elsemarie Mullins, and Austin Thompson published a report assessing the impact of COVID-19 on NC Water and Wastewater Utilities through July 2020. This project is funded in partnership with the NC Division of Water Infrastructure (DWI) and the NC Policy Collaboratory.

ELSEMARIE MULLINS

Project Director

UNC-Chapel Hill School of Government, Environmental Finance Center

Can you describe the timeline for this project?

"We started work for the Collaboratory project at the beginning of August, and will continue through December. Our final report, which will highlight mid-term impacts of COVID-19 on water and wastewater utilities in North Carolina, will be released in January 2021. The report for the Collaboratory will focus on the ongoing conditions of utilities in the next few months, which is past the moratorium period and the focus is more on getting customers to participate in payment plans to pay their past due bills."

Can you summarize the findings in your report? What is the connection between wastewater management and the pandemic?

"In the DWI report, we found that the impact of COVID-19 on water and wastewater utilities varied widely, depending on the utility. From a statewide perspective, conditions may seem overall manageable, but at the end of July, some individual utilities and their customers had greater financial challenges than others. For instance, some utilities reported that more than 40% of their customers were behind in paying bills, the average late bill amounted to more than $500, or that more than 20% of their customers were eligible to be disconnected due to non-payment of bills. The COVID-19 pandemic has highlighted the importance of access to clean water in our society. Providing safe drinking water and treating wastewater are essential services, especially when hand-washing is promoted as a key strategy for fighting the virus."