



Climate Change Preparedness in New Jersey: Leading Practices & Policy Priorities

Implications to Water Utilities

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Water Utility Service

- Only utility ingested by humans
- Necessary for sustaining human life
- Public safety – fire protection
- Economic viability



Mission of a Water Utility

- Provide safe and reliable service at reasonable rates to meet current customer needs
- Make appropriate investments in infrastructure to ensure sustainable service for future generations

Impact of Changing Climate

- All aspects of climate change impact water utility service:
 - Temperature
 - Precipitation
 - Wind
 - Sea level rise

Current Activities Underway

- Ability to minimize service disruptions by responding to events anticipated to be longer in both duration and intensity
 - Shore-up assets
 - Emergency response processes
 - Business continuity plans

Critical Gaps

The gap between meeting current needs and investing for eventual results of climate change:

- The scope of the gap is not yet fully understood – what are the ultimate infrastructure needs
- When, where and how much should we invest?

Financial Challenge - Who Pays?

In the end the cost is borne by:
the user of the service (utility bill)
Local taxpayers (property taxes)
State & Federal taxpayers (income and other taxes)



Like every service we receive, ultimately cost is all borne by the consumer. It's all a matter of how we carve up the pie



Financial Challenge – Who Pays?

- Difficult for regulators/taxpayers to fund investments to meet needs that are not fully understood
- Balance between meeting current needs and building for the future is a negotiation
- Investment will not occur without regulatory/taxpayer support

REALITY – Political consequences to expensive investments to mitigate risks that the public views as not being fully known and measurable

The Solution

- Educate, educate, educate
- Support the business case for investment with the best available data
- Ownership of the challenge must be understood and **shared** among:
 - Utilities
 - Regulators
 - Taxpayers
 - Political officials

Needed investment will not occur without shared ownership and collaboration