

increase the awareness of the relationships between quantity used and cost.

Ad valorem taxes, often imposed to make capital improvements to a water system, are not visible as part of the water bill. For this reason they do little to encourage conservation.

In some parts of Oklahoma, charges for sewage treatment are included in the water bill. This is justified on the basis that the size of sewage treatment facilities is a function of the quantity of water to be treated. Including this cost serves the purpose of encouraging conservation by making the water bill significant to the user.

Regulation

Regulation is a demand management program involving issuance of restrictions on the use of water, thus encouraging users to conserve to comply with the law (or suffer penalties). The program can be used to achieve almost any conservation goal, but is most effective for short-term, low percentage, average or peak reduction goals. Regulation can be quickly implemented and achieve immediate results.

The major disadvantage to regulation is that revenues will drop as consumption drops. Some users may oppose limitations on how they can use water.

Regulation is an effective, reliable demand management program. It has been highly successful in cities across the country. If a utility can overcome the revenue loss, regulation will likely be considered as a part of most conservation programs.²⁶