NACWA Communications & Public Affairs Committee Leadership

Pamela Perez  
Chair  
Marketing Manager  
City of Los Angeles – LA Sanitation  
Los Angeles, CA

Andrew Bliss  
Vice-Chair  
Community Outreach Manager  
Capital Region Water  
Harrisburg, PA

IMPACT THROUGH ADVOCACY / $ RETURN ON INVESTMENT / 🅰️ A HEALTHY ENVIRONMENT
Imagine a Day Without Water

September 15, 2016

#ValueWater
Imagine a Day Without Water
September 15, 2016

Over **400 organizations** across the country participating in a day of action to raise awareness about the crucial **need for water infrastructure investment** to ensure no community in America is left without water or the infrastructure that brings it to and from homes and businesses.
Imagine a Day Without Water
September 15, 2016

It’s not too late to get involved! Join us by:

• Signing the petition & sharing it with your networks
• Sharing our video
• Joining the Thunderclap to get the word out via your social media platforms
• Engaging with the public on social media – sample posts and images available to download. Don’t forget to tag us #ValueWater!
• Signing up as a participant in Imagine a Day Without Water and adding your logo to our impressive list

#ValueWater
For more information:

Contact Danielle Mayorga
DMayorga@uswateralliance.org

@TheValueOfWater
www.facebook.com/thevalueofwater

#ValueWater
Crafting Messages for Water Rate Increases

Sept 14, 2016

Presented by Sapna Mulki
Director, Water
Hahn Public
smulki@hahnpublic.com
Overview:

Rates Research Overview
Key Takeaways
Recommendations
Case Study
Recap
Methodology

- Premise: Utilities often do not get the public and political support needed for entire water rate increase requested due in part to ineffective communication tactics.

- Tested 13 messages

- Sample size included:
  - 800 Customers
  - Majority homeowners
  - Diverse ethnicities and varying education levels

- Represented 350 utilities in water, electric and gas
Utility Messaging

FACT: Concrete and speak to verifiable characteristics of an increase

FEATURE: Speaks to values that consumers derive from their relationships to the utility; security, satisfaction, convenience
Fact and Feature Messaging

Fact Message:

“DWP officials said the department needs to increase water revenue by $230 million over five years to repair infrastructure.”

About Los Angeles Department of Water and Power, 2015
Fact and Feature Messaging

Feature Message:

“We have filed…to recover the cost-effective investments we have made to replace less efficient equipment and build new generation for our community’s economic and population growth…”

El Paso Electric, 2015
Ratepayer Messaging

CHARACTER: Attacks the character of the utility being greedy or corrupt

COMPETENCY: Attacks the ability to perform the job; inefficient and wasteful
Character and Competency Messaging

"...the utility company is an enemy to all who are impoverished..."

About Memphis Light, Gas and Water, 2015
Character and Competency Messaging

Competency Message:

“A filing this week called IPL, ‘misguided’ and ‘mismanaged,’ saying the company has spent too much on paying its investors and not enough on fixing its crumbling infrastructure that has threatened people’s safety downtown.”

About Indianapolis Power and Light, 2015
Rates Research Overview
Key Takeaways
Recommendations
Case Study
Recap
Least Persuasive

**LEAST PERSUASIVE**

- **30%**
  - Without increasing rates, we can’t guarantee you’ll have water, power or gas when you need it most.

- **28%**
  - We aim to raise rates in small increments on a regular basis.

- **24%**
  - Your bills may seem high to you, but people with other providers pay more.

- **23%**
  - Your utility payments help support bringing new employers and better-paying jobs to our community.
## MOST PERSUASIVE

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>73%</strong></td>
<td><strong>72%</strong></td>
<td><strong>66%</strong></td>
<td><strong>65%</strong></td>
</tr>
<tr>
<td>Safety is our highest priority and governs every decision we make.</td>
<td>You can save money with our tips and tools to help you reduce consumption and conserve.</td>
<td>Technology in the utility industry is changing rapidly, and we need to invest in our system so you can benefit from those changes.</td>
<td>Part of your utility payment supports use of renewable energy (solar, wind, geothermal, etc.) and reclaimed water.</td>
</tr>
</tbody>
</table>
Why are the messages...

**Most Persuasive**
- Fair
- Factual
- Accurate
- Descriptive

**Least Persuasive**
- Abstract
- Complex
- Generalized
The Twist
Rate Perceptions
If Your Bill Has Increased, Do You Feel The Increase Was Justified?

- 53.7% Somewhat Justified
- 31.8% Not Justified
- 14.5% Justified
Rate Perceptions
Do You Agree or Disagree That Your Bills Are Fair?

- 20.8% Agree
- 32.1% Disagree
- 47.1% Neutral
Rate Perceptions
Do You Agree or Disagree That Your Providers Are Working To Keep Costs Low?

- 36.9% Disagree
- 44.8% Neutral
- 18.4% Agree
Rate Perceptions:
Social Judgment Theory

<table>
<thead>
<tr>
<th>LATITUDE OF REJECTION</th>
<th>LATITUDE OF NON-COMMITMENT</th>
<th>LATITUDE OF ACCEPTANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1.png" alt="Smiley" /></td>
<td><img src="image2.png" alt="Smiley" /></td>
<td><img src="image3.png" alt="Smiley" /></td>
</tr>
</tbody>
</table>

Based on latitudes model of social judgment theory from Sherif and Hovland
Recommendations on Messaging

• Character/Competency is not on the same plane as Fact/Feature.

• Incorporate Character/Competency messages into the utility’s overall platform in order to neutralize attacks during rate case proposals

• Make safety and reliability messaging less abstract.

• Use highly specific messages - date, time, cost, reiterate value of infrastructure, ensure continued service.

• Strive to humanize the utility and use evidence based messaging.

• Neutralize opponent messages using inoculation strategy.

• Keep messages local and relevant
Recommendations on Strategy

- Current messages are not creating optimal change in behavior and perceptions.

- Get to the undecideds before the opponents convert them.

- Understand the customers using data-driven and data-informed techniques
  - Using the appropriate tools for action
  - Do not be afraid to test out even the most negative of messages

- Consistent and constant communication is fundamental to preconditioning users

- Audiences do not evaluate a message purely on the merits of the argument. Their attitudes toward the message and the messenger plays a role.
  - Empower a Third Party Messenger. Limit use of utility representative as spokesperson.
  - Create an objective blue-ribbon panel of community leaders, neighborhood representatives, subject experts such as engineers, professors and financial consultants.
Utilities Whitepaper

Rate Case Messaging:
The Character/Competency Conundrum

HahnPublic.com/Utilities
Utility of the Future Today 2016 Honorees

Aarhus Vand, Denmark
Albuquerque Bernalillo County Water Utility Authority, NM
Alexandria Renew Enterprises, VA
Avon Lake Regional Water, OH
Baltimore City Department of Public Works, MD
Camden County Municipal Utilities Authority, NJ
Miami-Dade Water and Sewer Department, FL
City of Fayetteville, AR
Charlotte Water, NC
City of Cedar Rapids, IA
City of Fond du Lac, WI
City of Grand Rapids, MI
City of Gresham, OR
City of Los Angeles, LA Sanitation, WESD, One Water, CA
City of Roseville, CA
City of San Diego Public Utilities Department, CA
City of San Jose – Environmental Services Department, CA
City of San Luis Obispo Utilities Department, CA
City of Tacoma Environmental Services, WA
City of Tucson/Tucson Water, AZ
Clayton County Water Authority, GA
Clean Water Services, OR
Daphne Utilities, AL
Department of Water Resources Gwinnett County, GA
District of Columbia Water and Sewer Authority (DC Water), Washington, DC
Downers Grove Sanitary District, IL
East Bay Municipal Utility District (EBMUD), CA
Fairfax County Wastewater Management Program, VA
Fairfield Suisun Sewer District, CA
Glenbard Wastewater Authority, IL
NEW Water, WI
Hermitage Municipal Authority, PA
HRSD, VA
Kent County Public Works, DE
King County’s Wastewater Treatment Division, WA
Knoxville Utility Board, TN
LIttleton/Englewood Wastewater Treatment Plant, CO
LOTT Clean Water Alliance, WA
Metro Vancouver BC - Liquid Waste Services, Canada
Metro Council Environmental Services St. Paul, MN
Metropolitan Water Reclamation District of Greater Chicago, IL
Milwaukee Metropolitan Sewerage District, WI
Monterey Regional Water Pollution Control Agency, CA
Murfreesboro, TN Water and Sewer Department’s (MWSD), TN
Narragansett Bay Commission, RI
New York City Department of Environmental Protection (DEP), NY
Orange County Sanitation District, CA
Orange Water and Sewer Authority, NC
Pima County RWRD, AZ
Sacramento Regional County Sanitation District, CA
San Francisco Public Utilities Program, CA
Sanitation Districts of Los Angeles County, CA
Santa Rosa Water, CA
Scottsdale Water, AZ
Spartanburg Water, SC
Stevens Point Wastewater Treatment Plant, WI
Trinity River Authority of Texas, TX
University Area Joint Authority, PA
Upper Occoquan Service Authority, VA
VCS Denmark
Victor Valley Wastewater Reclamation Authority (VVWRA), CA
Next Committee Web Meeting: October 19, 2016
Thank You!