



ILLINOIS
AMERICAN WATER
WE KEEP LIFE FLOWING™

SOLUTIONS THAT WORK

The sale of the City of Alton's wastewater system to Illinois American Water made good sense for customers and the community.



SOLUTIONS AT WORK

Illinois American Water provides technical and financial resources to meet current and future EPA requirements.

CITY OF ALTON REGIONAL WASTEWATER ACQUISITION

The City of Alton is located in Madison County, in an existing Illinois American Water Alton District service area of 11,170 current water customers. Alton Regional Wastewater provides wastewater collection service to approximately 23,000 customers in the City of Alton and surrounding communities.

CHALLENGES

- **Rates:** The existing system was operating at a financial disadvantage. Based on the existing rate structure, funds are not available to implement needed improvements.
- **Financial:** The City needed to resolve significant police and fire pension issues, as well as to invest in upgrading the wastewater treatment plant.
- **Regulatory:** Under the Combined Sewer Overflows Long-Term Control Plan from the EPA, the City of Alton needed to make a significant investment in improvements to uphold Plan responsibilities for their wastewater system.

SOLUTION

After contracting with an expert consultant to perform system evaluations on wastewater assets, the City chose to issue a Request for Proposals (RFP) to sell its assets. Through the RFP process, Illinois American Water was selected by the City as the best long-term solution provider for its residents.

BENEFITS

- **Financial:** The City received \$53.8 million for its wastewater assets after regulatory approval and at close of sale. This financial gain allowed the City to relieve existing operations debt and make significant contributions to the Firefighters and Police pension funds.
- **Regulatory:** Illinois American is investing an average of \$3 million annually in addition to satisfying the improvements required per the Long-Term Control Plan. This investment will ensure the system remains in compliance with EPA regulations and improve quality and service for customers.
- **Rates:** Customers are included in Illinois American Water's existing tariff groups, which helps sustain future capital needs for the system. Illinois American Water's rates lowered customer bills by about 8 percent and include a Winter Averaging provision, which will substantially lower customer bills during May-Oct when outdoor usage is highest.

