

Proposed Rates  
Adjustment

2026  
Water  
&  
Wastewater



# OUR PURPOSE

## **Why We Are Here**

To explain why a rate adjustment is needed for water & wastewater and how it benefits our customers.

# ABOUT NTUA

Established in 1959

Not-for-profit Enterprise

Governed by a 7-member Management Board

Currently employs 932 employees as of 10/15/25

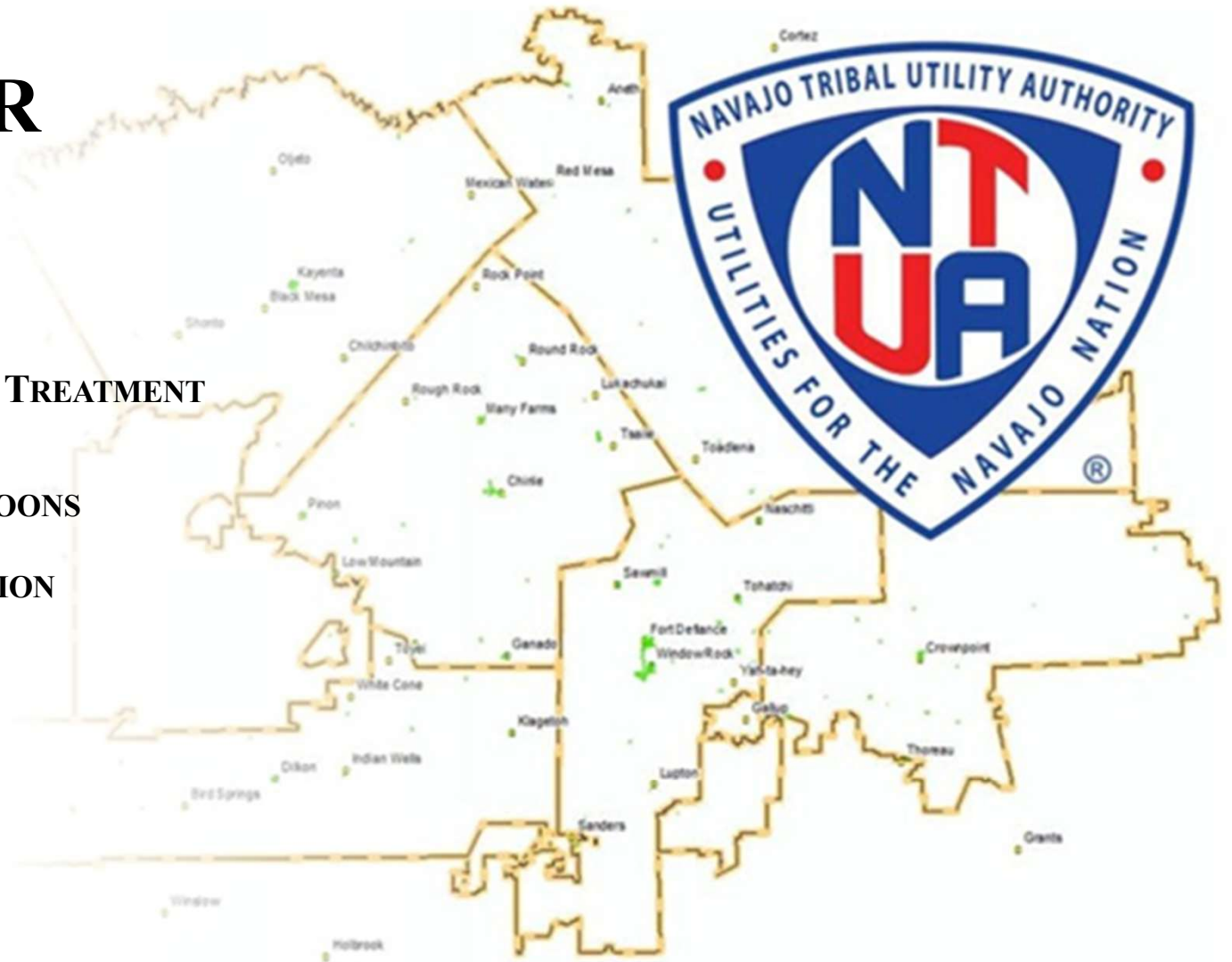
Provider of 6 utilities:

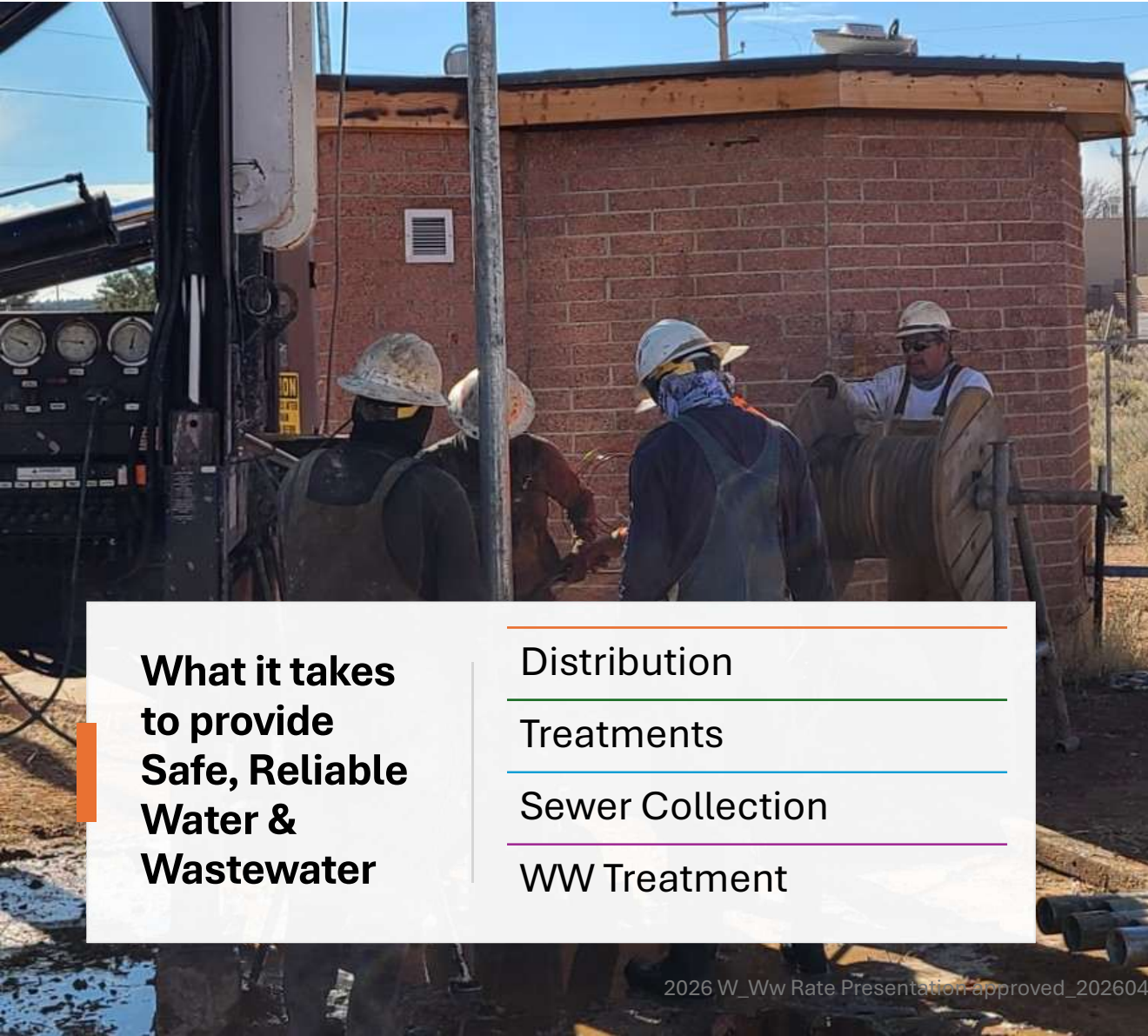
- Electric
- Natural Gas
- Water
- Wastewater Treatment
- Renewable Energy
- Communications



# WASTEWATER SERVICE AREA

- 9 WASTEWATER DISCHARGING TREATMENT PLANTS
- 102 NON-DISCHARGING LAGOONS
- 371 MILES OF WW COLLECTION
- 13,956 WASTEWATER CUSTOMERS





**What it takes  
to provide  
Safe, Reliable  
Water &  
Wastewater**

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Distribution

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Treatments

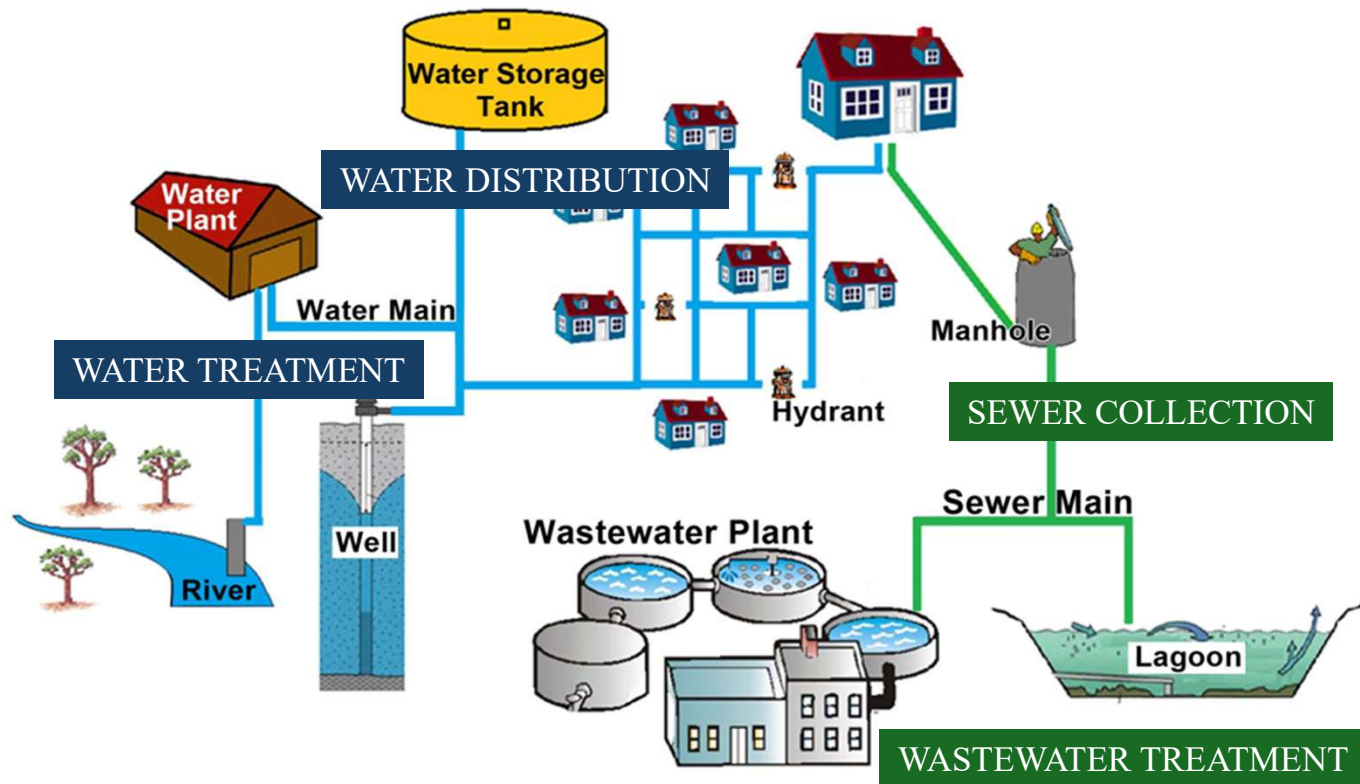
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Sewer Collection

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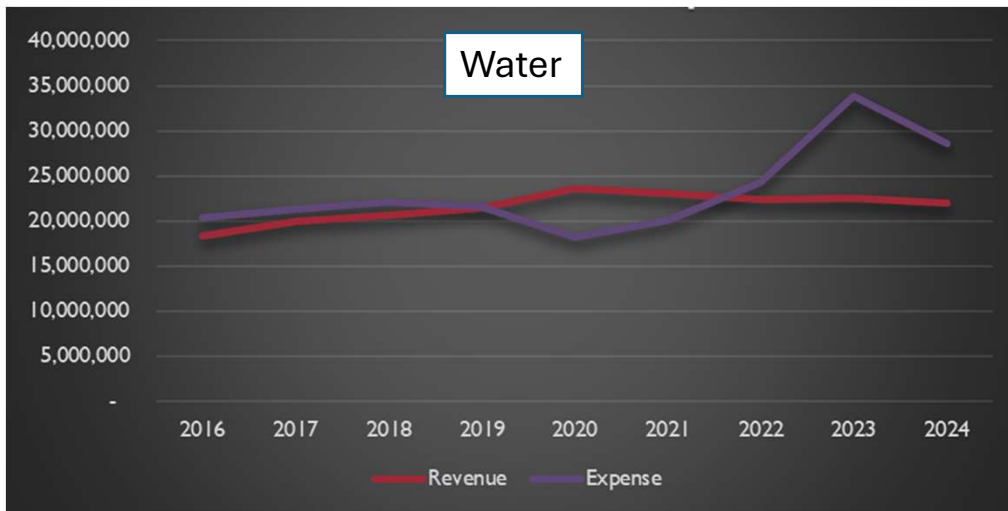
WW Treatment

# WATER & WASTEWATER OPERATIONS



# Revenue Gap

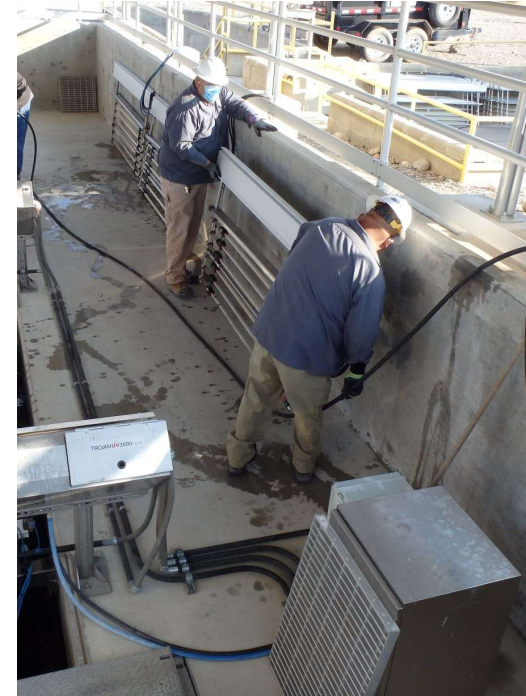
- Rising Costs & Aging Infrastructure
- Expenses increasing faster than revenue
- Utilities become unsustainable without action





## Factors Influencing Wastewater Treatment Costs

- Volume & Flow Rate
- Pollutant Load
- Technology & Infrastructure
- Energy Consumption
- Labor & Maintenance
- Chemical Use
- Regulatory Compliance
- Environmental and Climate Conditions



## A day in the life of Operations and Maintenance



**Water  
Treatment  
Process**



**Compliance  
Monitoring**



**Line  
Patrolling**



**Valve  
Maintenance**



**Operator  
Training  
Program**



**SCADA  
Program**



**Automated  
Meter  
Reading**



**New  
Treatment  
Plants**

# Cost to Treat –WR WWTP

- Wastewater Treatment varies from Lagoon, Activated Sludge, and MBR systems.
- Window Rock WWTP treats an average influent flow of 443,750 gallons per day.
- Average cost to treat: appx. \$1,750 per day.
- Activated Sludge system costs an average of \$3.94 per 1,000 gallons treated.
- Overall daily operational cost ranges from \$1,500 to \$2,000 per day.



# Why Rates Must Change

Utilities should operate like businesses, though the service being provided is a vital resource shared by all members of the community.



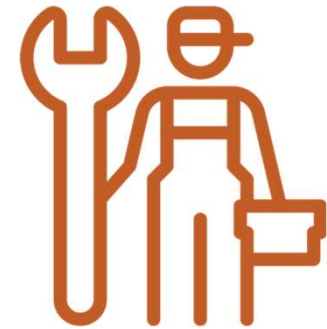
## Revenue Sufficiency

Revenues must match or exceed expenses



## Reserve Funds

Must plan for a rainy day



## Reinvestment

We must repair, replace, and reinvest in infrastructure



# Increase in cost to construct

- Pre-Covid
  - Wastewater Treatment Plant = \$40 million (Kayenta WWTP replacement)
- Post-Covid
  - Wastewater Treatment Plant = \$60 million
  - Water Treatment Plant = \$25 million

Grants have  
been used

We must now  
fund our own  
construction

SIHASIN Grant / Loans

CARES Grant

Defunded CARES Grant

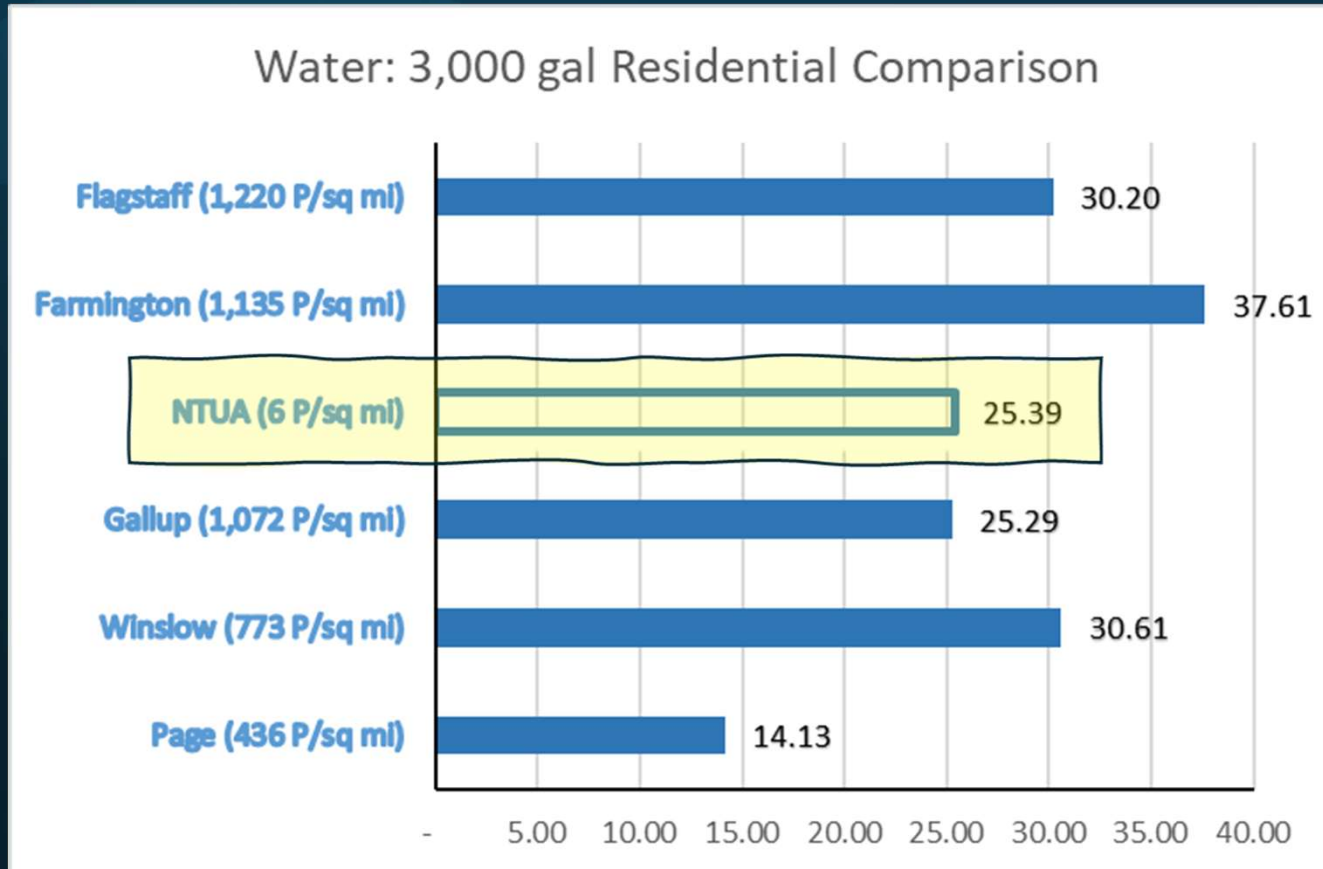
Indian Health Service

US EPA Loans

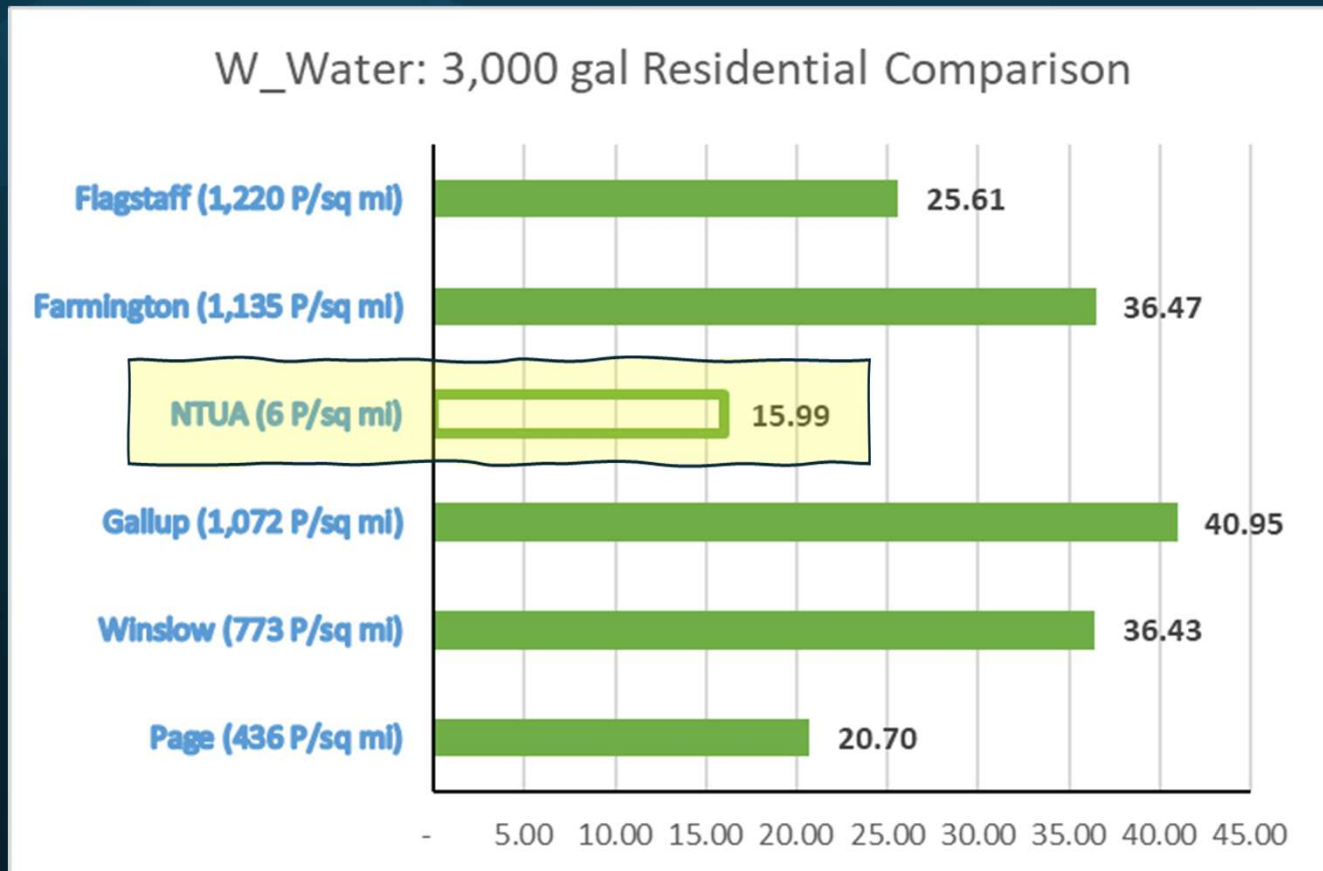
USDA Loans

ARPA Grant did not include infrastructure

# How do NTUA Water Rates Compare?



# How do NTUA Wastewater Rates Compare?



# Scenario Overviews

## Two Rate Adjustment Scenarios

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Scenario 1: Flat fixed rate

Scenario 2: Changing rate

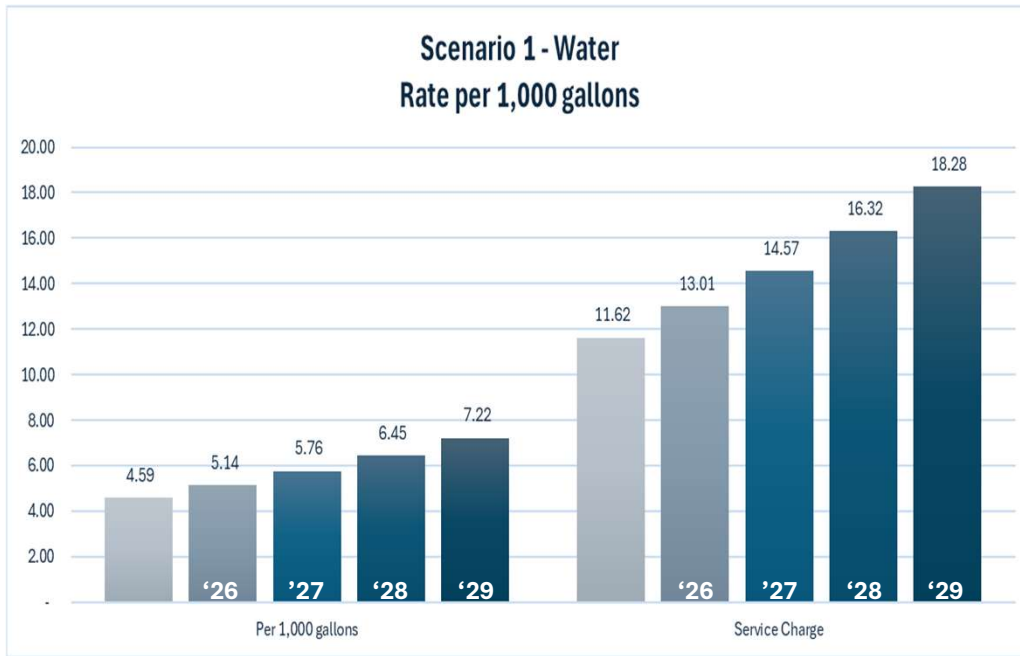
# Scenario 1 – Flat Fixed Rate Adjustment

Structure with predictable increases

Water	Sep'26	FY 2027	FY 2028	FY 2029
<b>Monthly Service Charge</b>				
All Customers	12%	12%	12%	12%
<b>Consumption Charges</b>				
All Customers	12%	12%	12%	12%

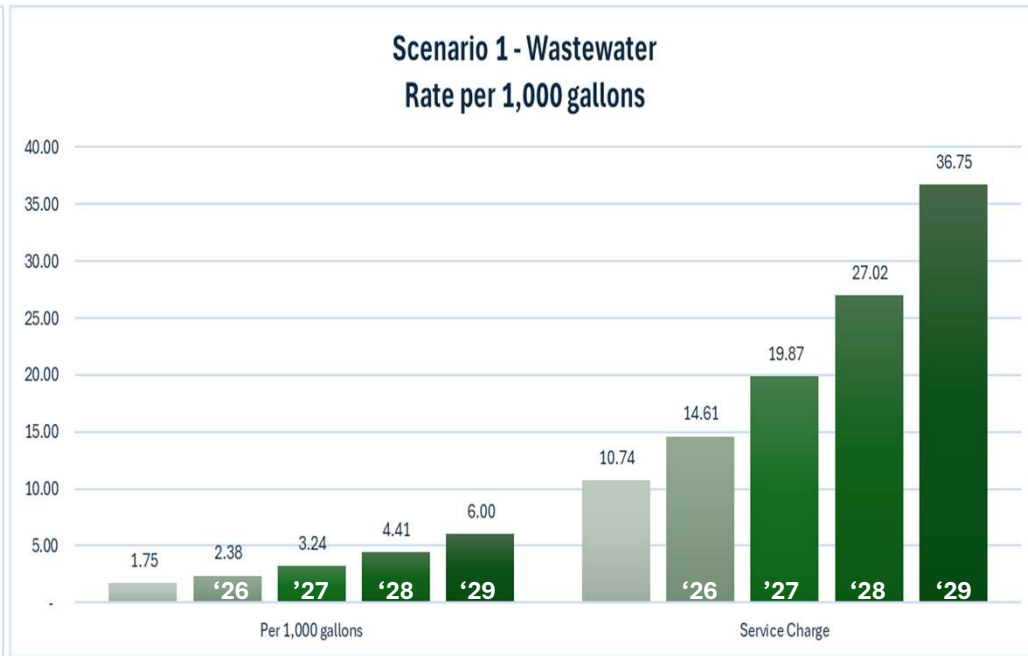
Wastewater	Sep'26	FY 2027	FY 2028	FY 2029
<b>Monthly Service Charge</b>				
All Customers	36%	36%	36%	36%
<b>Consumption Charges</b>				
All Customers	36%	36%	36%	36%

# Scenario 1 – Flat Fixed Rate Adjustment Water & Wastewater Residential Customer



12% 12% 12% 12%

12% 12% 12% 12%



36% 36% 36% 36%

36% 36% 36% 36%

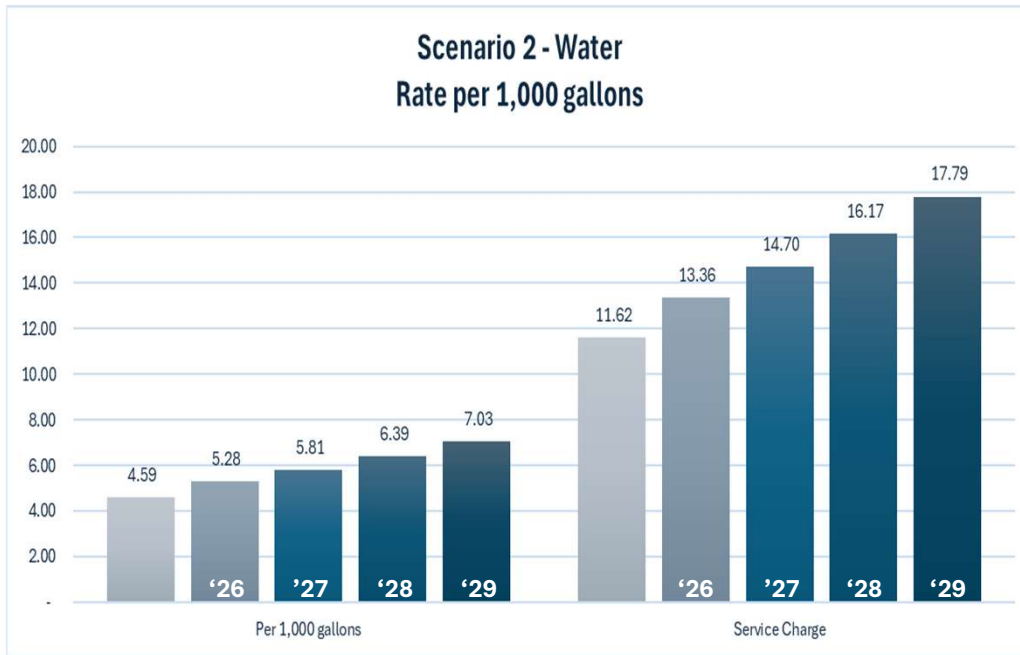
# Scenario 2 – Changing Rate Adjustment

Phased increases over 3 years

Water	Sep'26	FY 2027	FY 2028	FY 2029
<b>Monthly Service Charge</b>				
All Customers	15%	10%	10%	10%
<b>Consumption Charges</b>				
All Customers	15%	10%	10%	10%

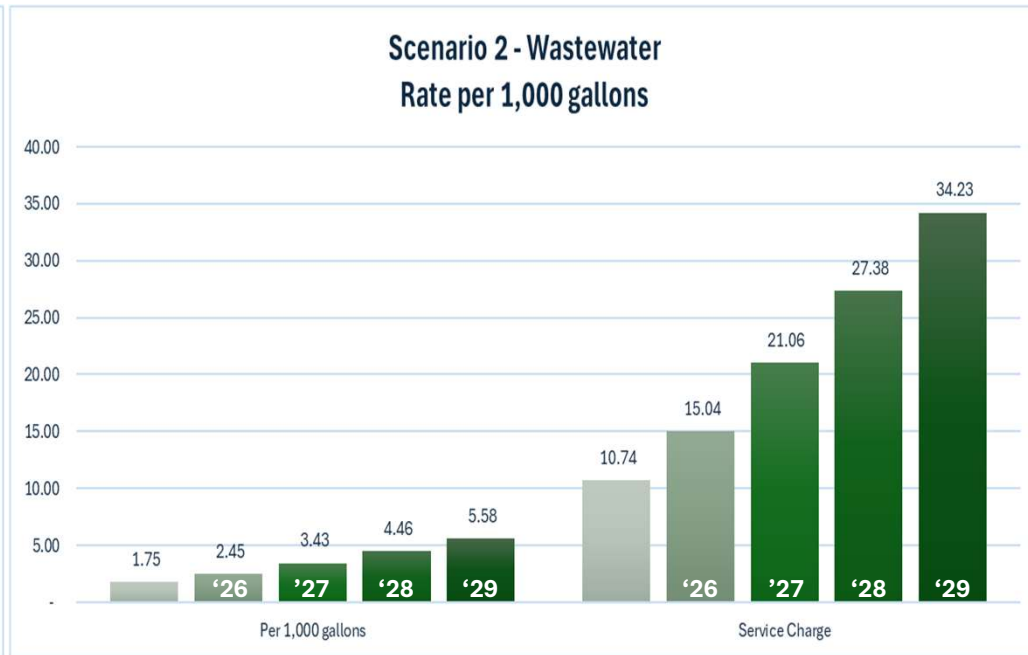
Wastewater	Sep'26	FY 2027	FY 2028	FY 2029
<b>Monthly Service Charge</b>				
All Customers	40%	40%	30%	25%
<b>Consumption Charges</b>				
All Customers	40%	40%	30%	25%

# Scenario 2 – Changing Rate Adjustment Water & Wastewater Residential Customer



15% 10% 10% 10%

15% 10% 10% 10%

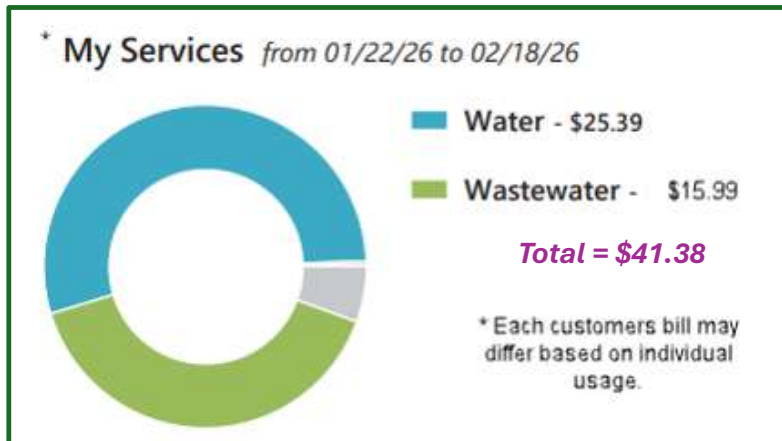


40% 40% 30% 25%

40% 40% 30% 25%

# Water & Wastewater Residential Customer, average 3000 gallons

## Scenario 1



## Scenario 2

### Effective 1/1/2027

Water	- \$31.84
Wastewater	- \$29.58

Total	Change
\$61.42	+\$11.24

### Effective 1/1/2028

Water	- \$35.99
Wastewater	- \$40.23

Total	Change
\$75.89	+\$14.47

### Effective 1/1/2029

Water	- \$39.94
Wastewater	- \$54.72

Total	Change
\$94.66	+\$18.77

Water	- \$32.12
Wastewater	- \$31.35

Total	Change
\$63.47	+\$11.88

Water	- \$35.33
Wastewater	- \$40.76

Total	Change
\$76.09	+\$12.62

Water	- \$38.87
Wastewater	- \$50.96

Total	Change
\$89.83	+\$13.74

# Current Economics



\$14.98



\$3.54



\$1.50



\$4.20



\$.00459



\$4.19

## Present Costs Exceed Current Revenues

- Rising costs from inflation & current economic factors

# Benefits

- How This Benefits You
  - Fewer outages
  - Faster Repairs
  - Safer Water
  - Long-term dependability
  - Disposing of waste = environment & help environment move forward (WW)

# FAQs

- Why now?
- Why is WW higher
- Fund management

## Senior Discount: Expanding Eligibility using HUD income limits

- Current income limit: **\$21,000**
- Discount applies to all utilities, for one household
- Customer or member of family must be 60 years of age or older
- Customers must reapply annually

*Example, not all counties shown.		HUD income limits for Persons in Family				
Income Area	Median Family Income	1	2	3	4	+4
Apache County	\$55,300.00	39,200	44,800	50,400	56,000	TBD on household size
Navajo County	\$67,200.00	39,400	45,000	50,650	56,250	TBD on household size
San Juan County	\$75,600.00	42,350	48,400	54,450	60,500	TBD on household size

# Final Public Hearing

## **Navajo Nation Museum**

Window Rock, AZ 86515

Thursday, May 21, 2026

6 pm-8 pm

# Our Commitment

## **Safe, Reliable, Affordable Water for our communities**

- Transparency
- Financial stewardship
- Community investment
- Infrastructure upgrades

Questions?

Contact

Navajo Tribal Utility Authority  
Work Phone: (800) 528-5011  
Email: [NTUARates@ntua.com](mailto:NTUARates@ntua.com)