Proposed Rates
Adjustment

2026 Water & Wastewater

OUR PURPOSE

Why We Are Here

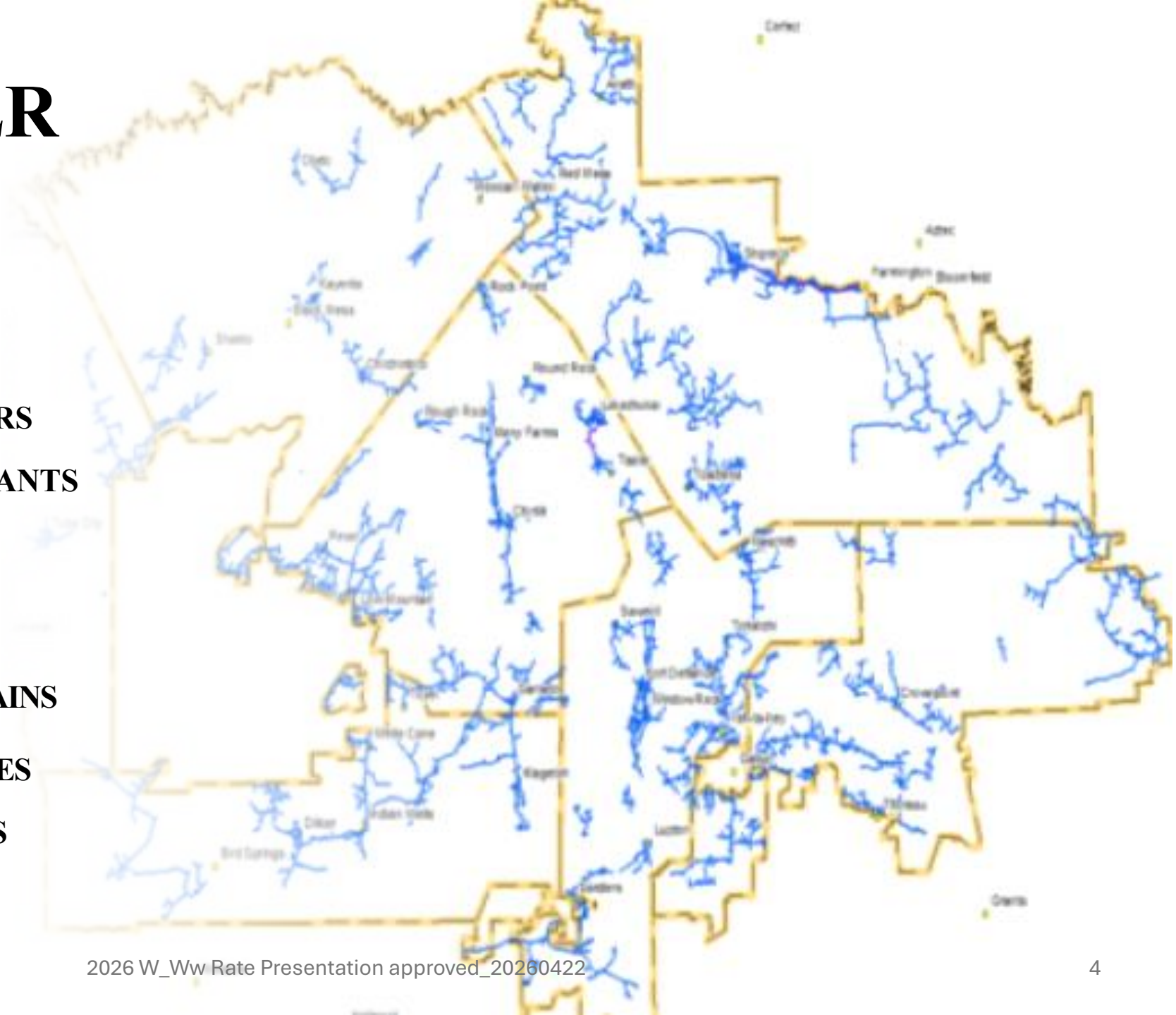
To explain why a rate adjustment is needed for water & wastewater and how it benefits our customers.

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

NTUA WATER SERVICE AREA

- 96 WATER SYSTEMS FOR RESIDENTIAL CUSTOMERS
- 3 WATER TREATMENT PLANTS
- 332 WELLS
- 127 BOOSTER STATIONS
- 7,567 MILES OF WATER MAINS
- 790 MILES OF SERVICE LINES
- 40,719 WATER CUSTOMERS
- 363 STORAGE TANKS



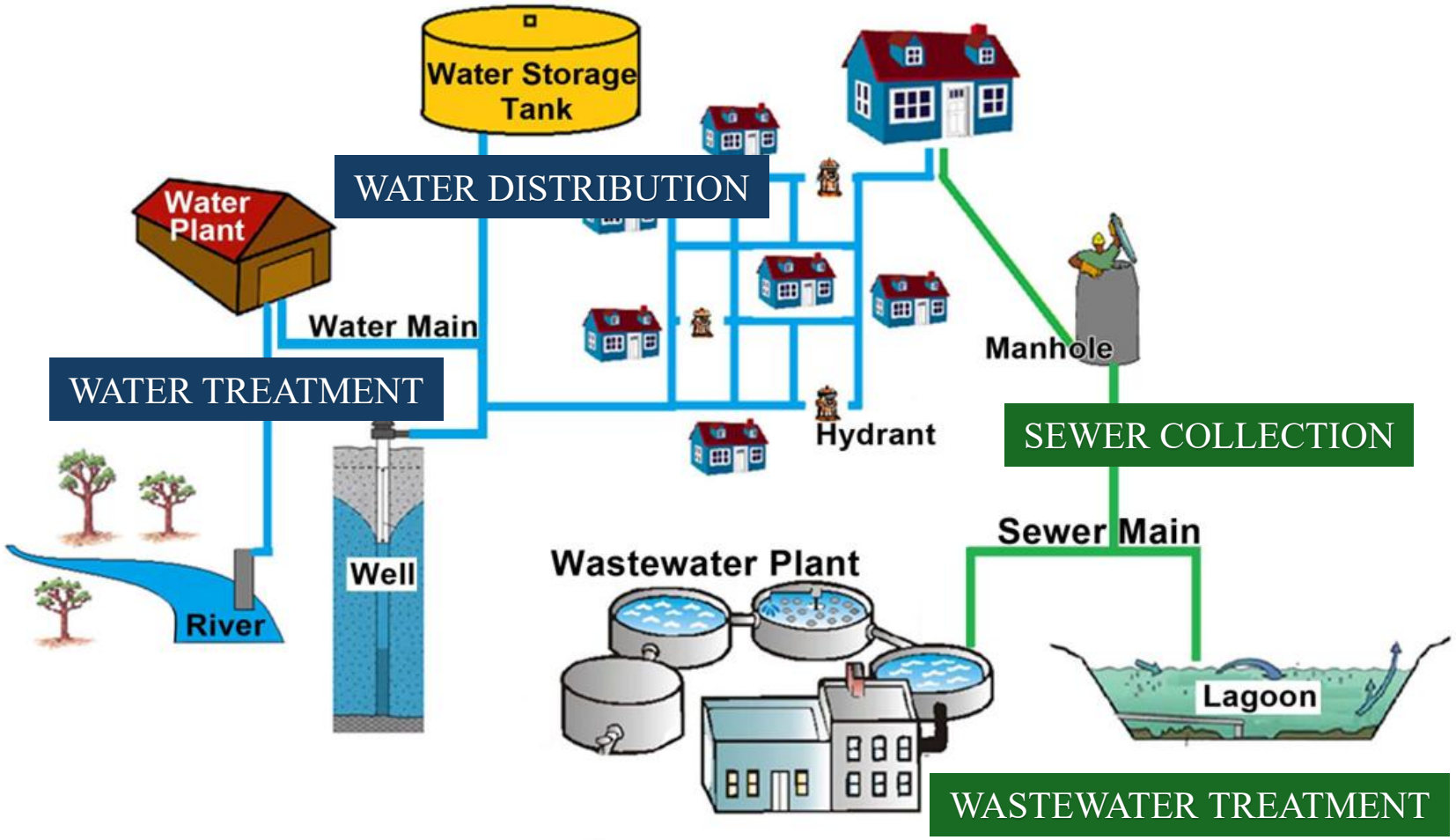
WASTEWATER SERVICE AREA

- 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

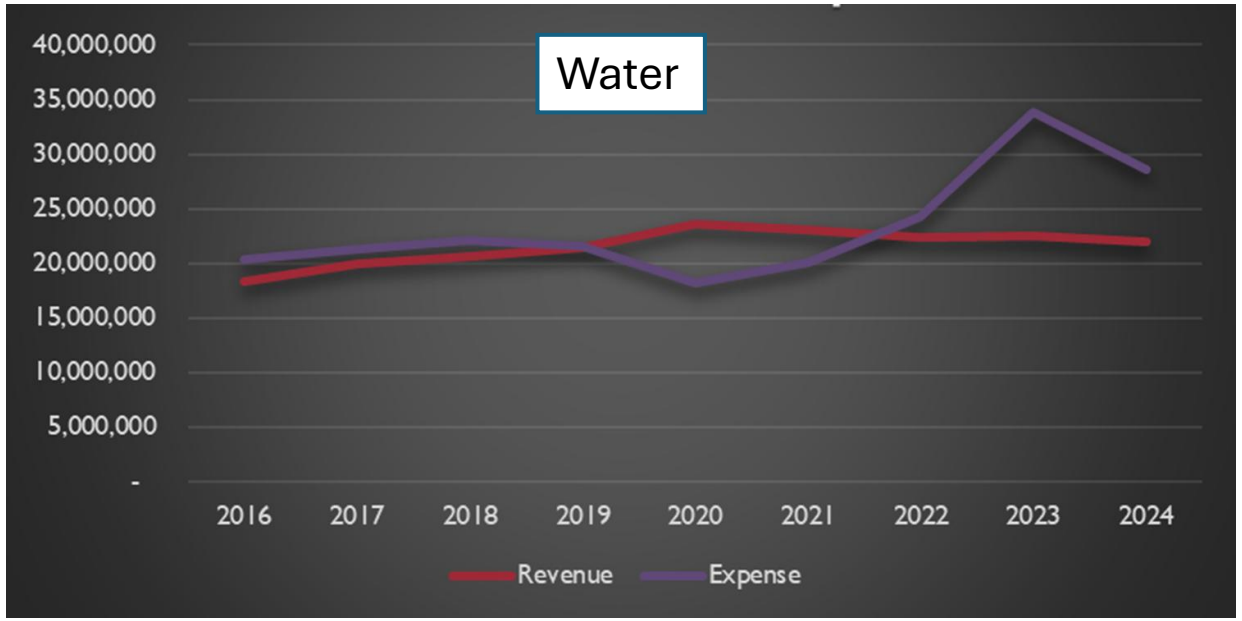
- Distribution
- Treatments
- Sewer Collection
- WW Treatment

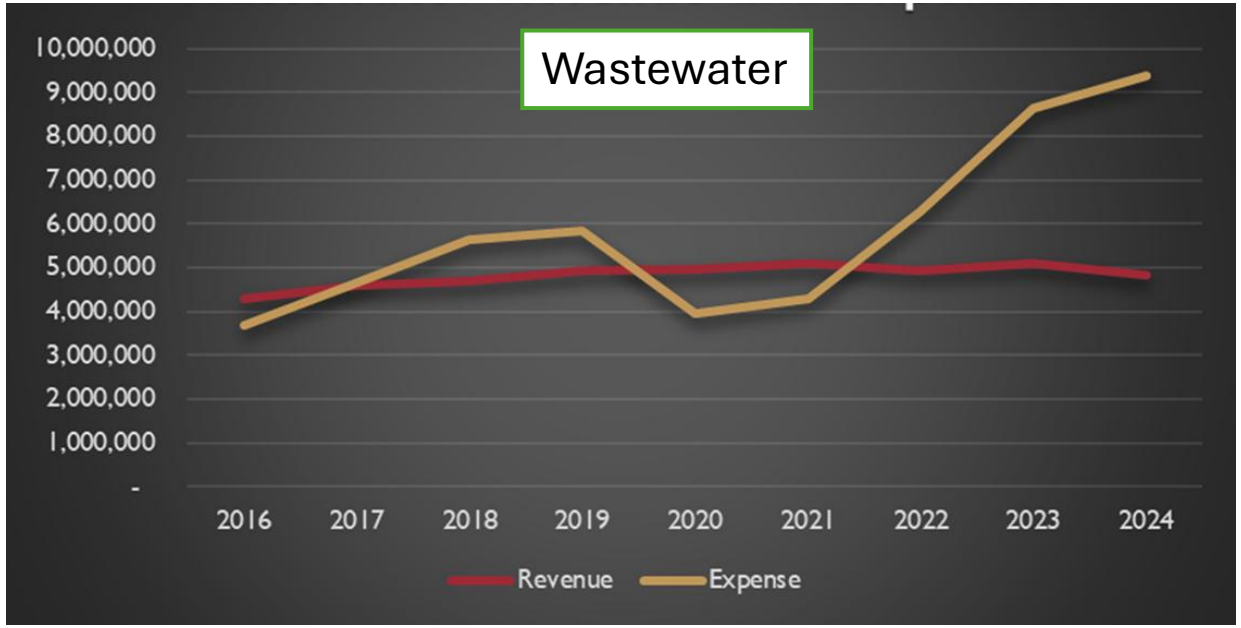
WATER & WASTEWATER OPERATIONS



Revenue Gap

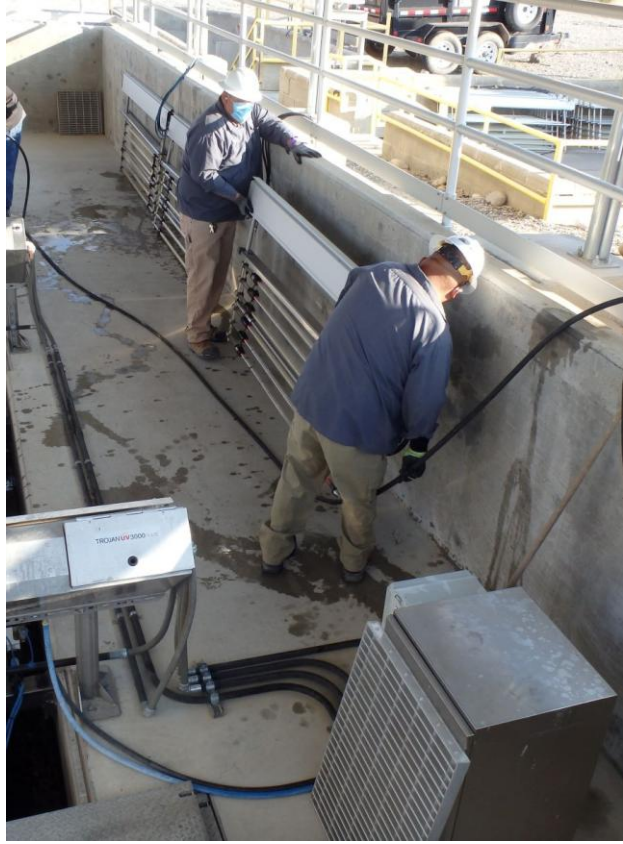
- Rising Costs & Aging Infrastructure
- Expenses increasing faster than revenue
- Utilities become unsustainable without action





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

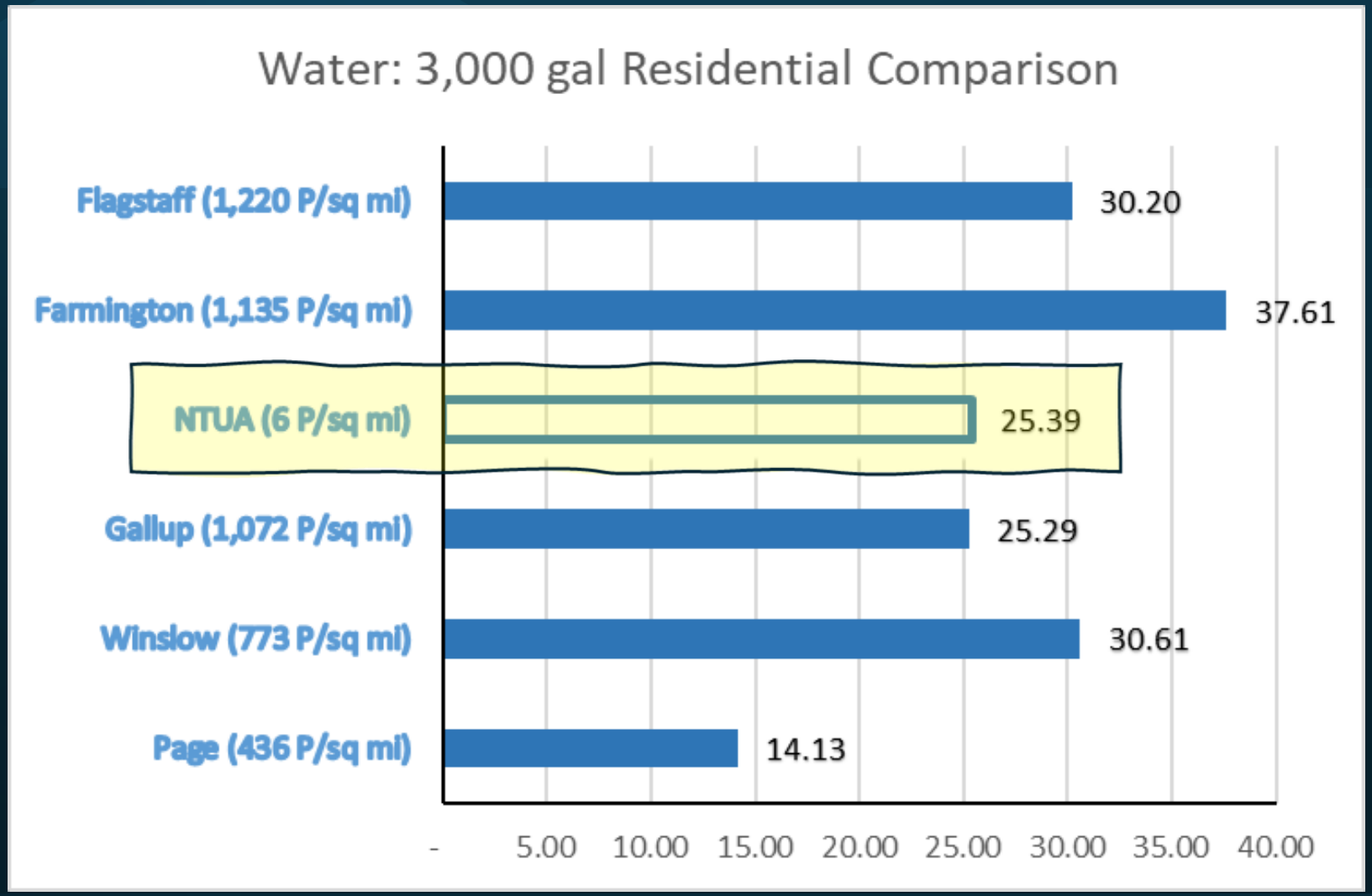
- Pre-Covid
  - Wastewater Treatment Plant = $40 million (Kayenta WWTP replacement)
- Post-Covid
  - Wastewater Treatment Plant = $60 million
  - Water Treatment Plant = $25 million

Grants have been used

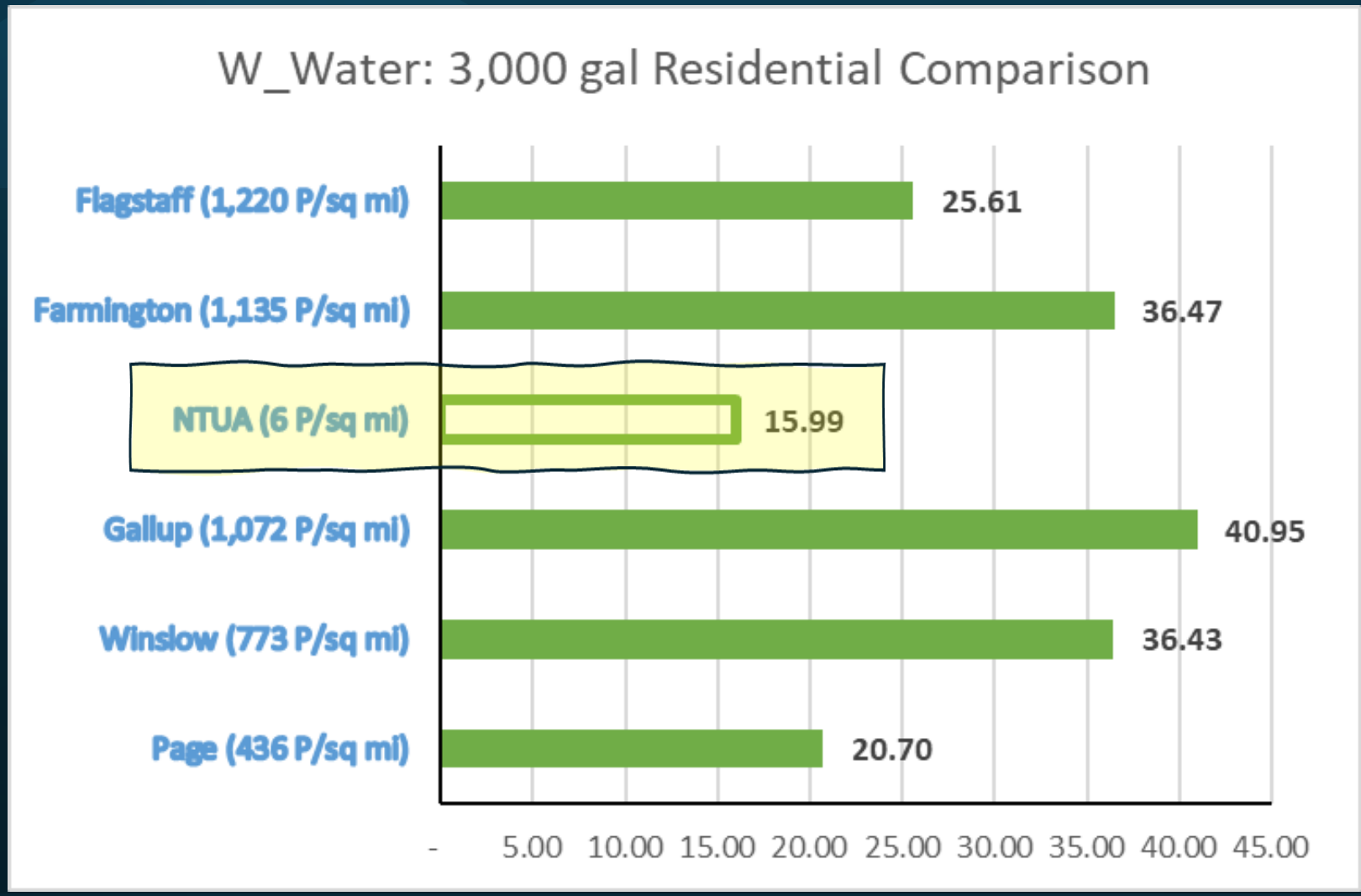
We must now fund our own construction

- 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

Scenario 1: Flat fixed rate

Scenario 2: Changing rate

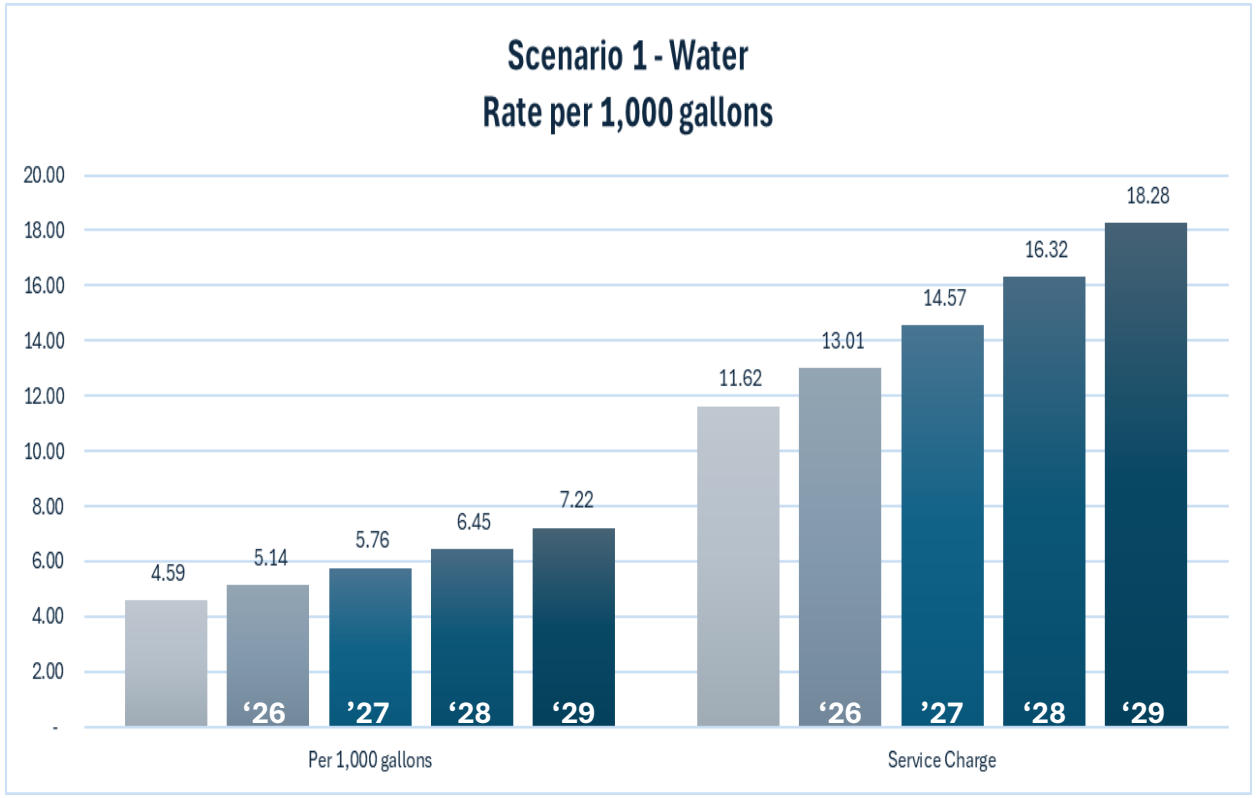
Scenario 1 – Flat Fixed Rate Adjustment

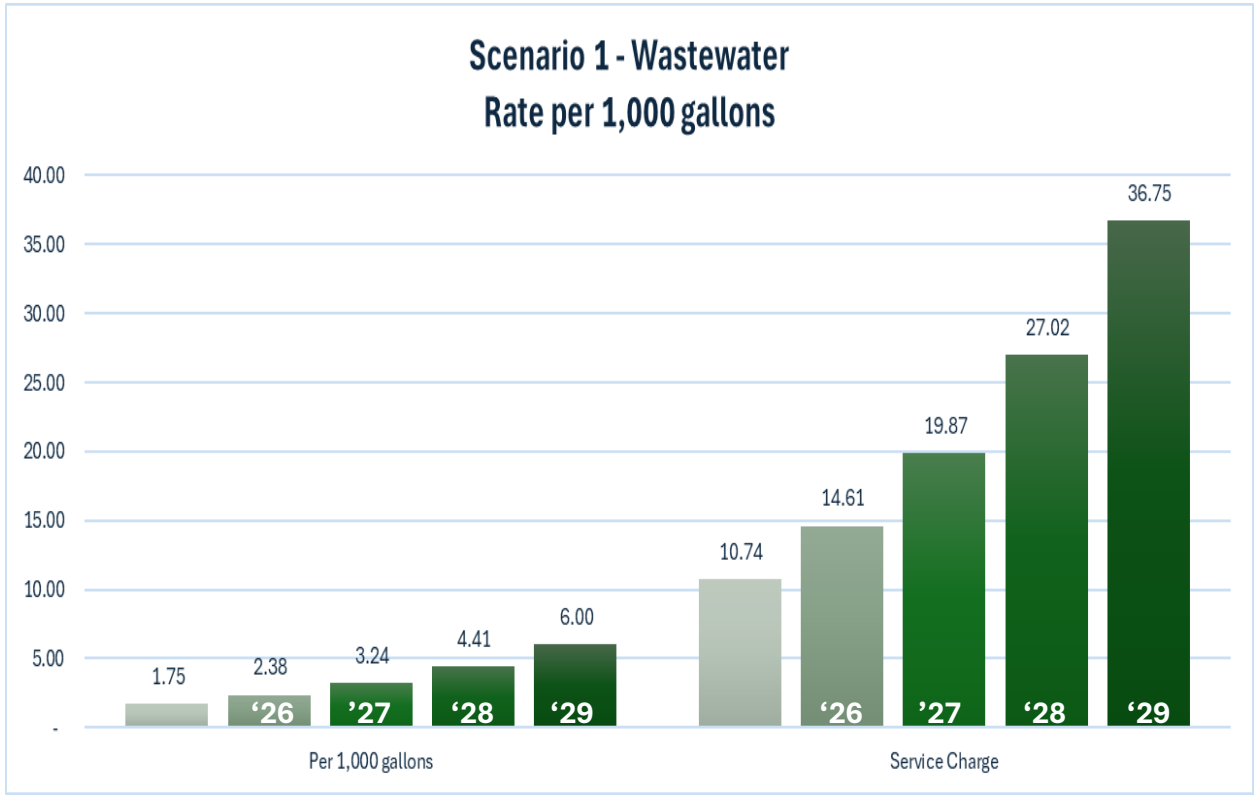
Structure with predictable increases

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

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

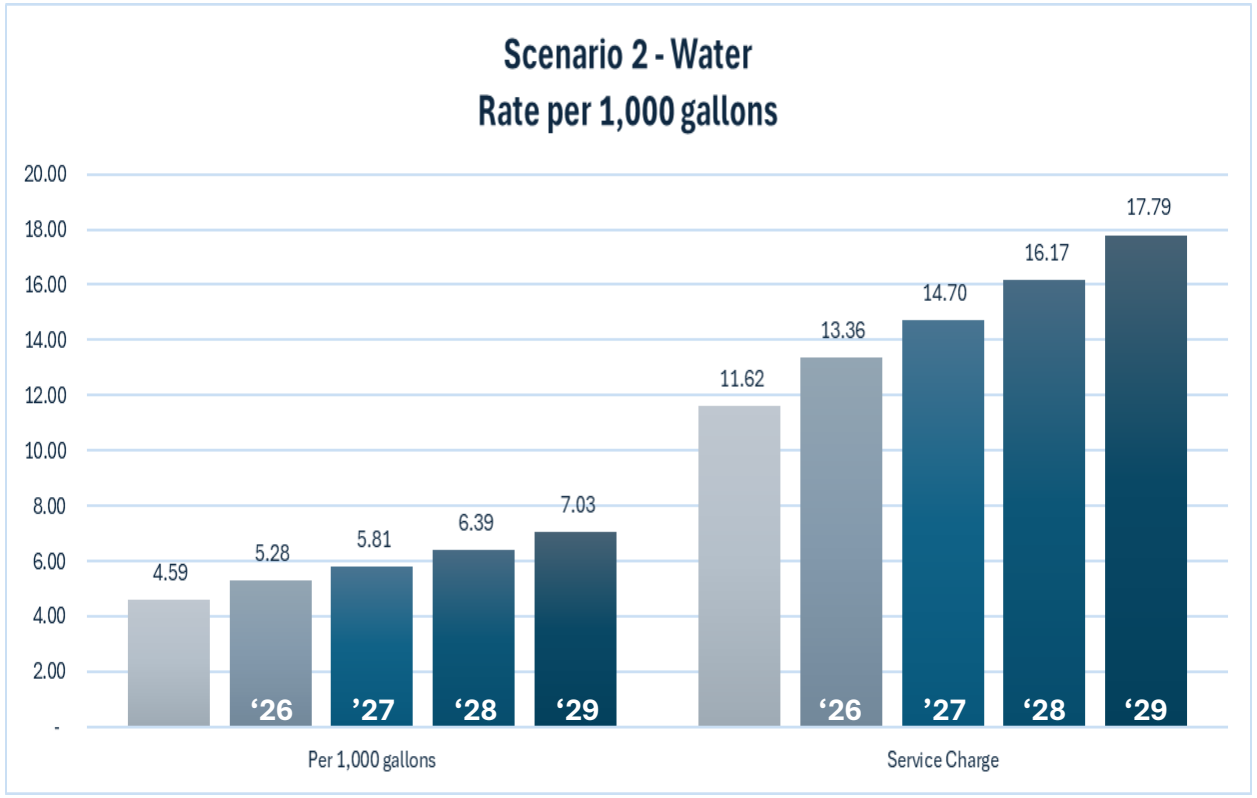
Scenario 2 – Changing Rate Adjustment

Phased increases over 3 years

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

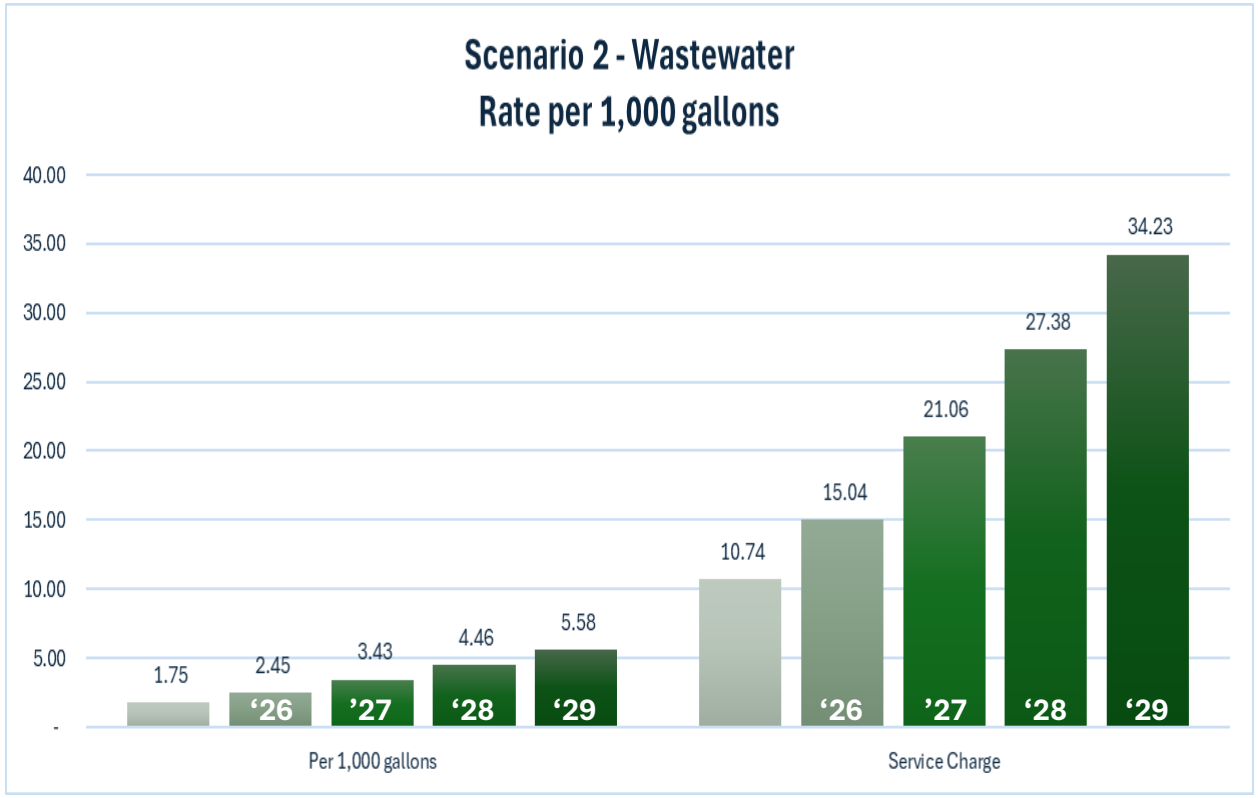
Wastewater	Sep'26	FY 2027	FY 2028	FY 2029
Monthly Service Charge				
All Customers	40%	40%	30%	25%
Consumption Charges				
All Customers	40%	40%	30%	25%

Scenario 2 – Changing Rate Adjustment
Water & Wastewater Residential Customer



15% 10% 10% 10%

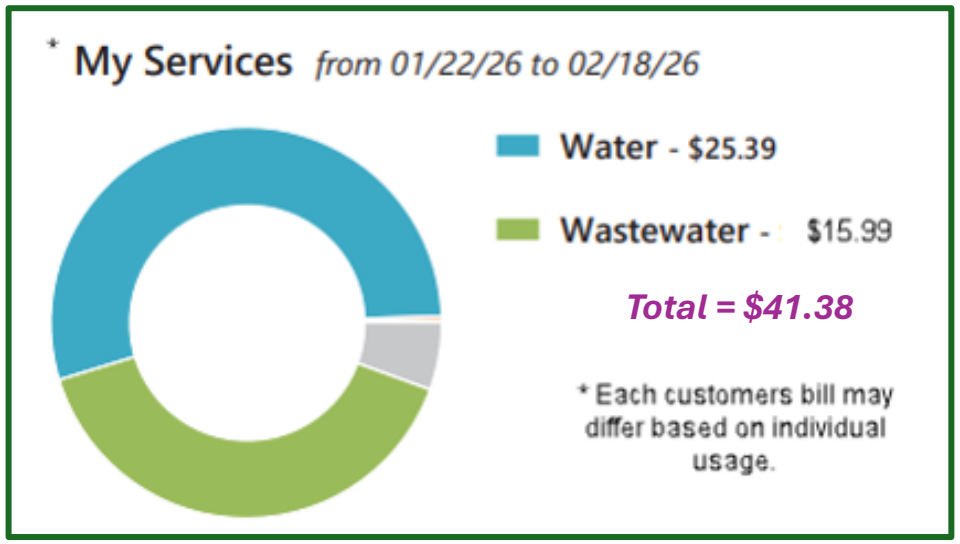
15% 10% 10% 10%



40% 40% 30% 25%

40% 40% 30% 25%

Water & Wastewater Residential Customer, average 3000 gallons



	Effective 1/1/2027		Effective 1/1/2028		Effective 1/1/2029	
Scenario 1	Water - $31.84 Wastewater - $29.58		Water - $35.99 Wastewater - $40.23		Water - $39.94 Wastewater - $54.72	
	Total	**Change**	**Total**	**Change**	**Total**	**Change**
	$61.42	+$11.24	$75.89	+$14.47	$94.66	+$18.77
Scenario 2	Water - $32.12 Wastewater - $31.35		Water - $35.33 Wastewater - $40.76		Water - $38.87 Wastewater - $50.96	
	Total	**Change**	**Total**	**Change**	**Total**	**Change**
	$63.47	+$11.88	$76.09	+$12.62	$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, June 17, 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