



WEBINAR

EXCHANGE OF EXPERIENCES BETWEEN **WATER UTILITIES IN** DELIVERING SERVICES IN THE LIGHT OF THE **COVID-19 PANDEMIC**

On 14 May 2020, an international audience gathered on Webex for the second webinar on the impact of the ongoing COVID-19 pandemic on water services and utilities. Invited by IAWD and the World Bank in the frame of the Danube Water Program, participants learned about experiences and insights from the perspective of European utilities of different sizes, from small to sizable.

Moderator Philip Weller, Head of the IAWD's Technical Secretariat, introduced the panelists to an audience around the globe. Urgent interest in this professional-level exchange on the impact of the global pandemic on services in the water supply and sanitation sector drew participants from even the Philippines and Australia.

The panel featured Wolfgang Aichlseder, General Manager of OÖ Wasser, a regional association of small utilities in Upper Austria, Evis Gebreja, Deputy General Director of the Water Supply and Sewerage Utility of Tirana, Albania, and Christian Hasenleithner, General Manager of ENERGIE AG Bohemia in the Czech Republic. The panel represented a wide enough spectrum of company sizes and working environments to paint an informative picture of the situation in the Danube Region.

Christian Hasenleithner opened the exchange with a presentation on the crisis response of Energie AG Bohemia, a Network providing water for 900,000 and wastewater services for 700,000 customers in the Czech Republic. His presentation included a timeline from the preparatory measures before the state emergency declaration on 11 March and the subsequent



activities of the company crisis taskforce to the reintroduction of normal operations after the end of the emergency status on 27 April.

Energie AG's crisis response involved the shutdown of customer services including meter reading, meter exchange and cash payment of bills, an extension of payment deadlines to 30 days and information to customers and the wider public regarding water quality and supply security. Staff safety measures reached from the procurement of personal protection equipment to home office work for up to 250 members of a 1,700 employee workforce, introduction of separated teams for managing all non-home office activities, and replacing personal meetings by videoconferences, the latter proving the enormous value of the sometimes criticized large investments in modern IT equipment.

All in all, the company got through the crisis with only one employee tested Corona positive, but gladly recovered now, and 20 more temporarily quarantined, but already back in office. The return to fully normal operations will be completed by end of May.

Regarding the impact of the crisis on the business, a first quesstimate is a temporary 10% minus in both turnover and bottom line, but hard facts will not be available before next month. Even more unclear is the medium-term perspective, with an economic crisis in 2021 looming, and its impact on investments, services, consumption, and tariffs anyone's guess, and the single potential upside of the crisis a possibly accelerated migration to smart metering.

Christian Hasenleithner finished his presentation with a photo collection of creative face protection masks which employees produced during the crisis, partly in collaboration with a neighboring 3-D printing startup, to make up for protection equipment shortages, also donating part of their production to hospitals and charities in their communities. He notes:

> "The group's utilities adapted to the crisis quickly, quietly, and with remarkable success", he notes.

Following this report from a nation-wide network, Evis Gebreja, the Deputy General Director of the Water Supply and Sewerage Utility of Tirana (UKT Tirana), Albania, presented the perspective of a municipal utility serving one million customers. Much like Energie AG, her organization, and Albania in general, weathered the crisis quite successfully. The country introduced drastic shutdown measures as early as 9 March and got away with some 800 confirmed infections and 30 fatalities to date.

UKT Tirana immediately implemented the adequate crisis management process involving transfer of as many activities as possible to home office, with special protection for mothers, introducing staff rotation, closing seven of altogether eleven customer care offices, and a personal protection and hygiene regime for the staff. Mrs. Gebreia reports that daily operation and maintenance went on uninterrupted:

> "We were able to keep up meter reading and all necessary repairs in the water and sewer network, even construction work for ongoing infrastructure projects was resumed after a one-week interruption."



Noticeable crisis impacts hit the revenue side. In spite of ongoing efforts to promote using the two available electronic payment options, paying cash is still widespread, and this, together with significant shifts in consumption patterns of private households and enterprises affected the revenue stream, especially during the March lockdown. During April, the situation improved somewhat, but the impact is still felt, and negotiating a loan to cover unexpected further developments is part of the crisis management. Evis Gebreja reports that these negotiations are still running and will have influence on the current business continuity planning, but all in all, UKT Tirana has shown satisfactory resilience in the face of the global crisis.

Next to take the stage was Wolfgang Aichlseder, General Manager of OÖ Wasser association, an umbrella for some 1,000 cooperatives in Upper Austria's villages. He complemented the perspectives of nationwide and big municipal networks with the view of small and very small utility providers serving between four and 2,000 households.

OO Wasser supports these cooperatives with assistance in procuring equipment and spares, trains more than 1,000 persons every year, with many volunteer workers among them, and generally promotes a healthy approach to independent water supply. In spite of the obvious structural differences, OÖ Wasser's crisis response followed a timeline similar to the one presented by Energie AG's Christian Hasenleithner.

As an umbrella organization, the initial response focused on communication to members. Mr. Aichlseder reports:

> "The first and most important message we had to get out was that Corona does not spread through water, therefore no special water treatments were needed"

Once this was established, OÖ Wasser recommend that members postpone all not necessary activities, reduce personal contacts in the cooperatives to the absolutely necessary minimum, to go about all activities alone instead of in teams, to avoid unnecessary travelling and, when unavoidable, travel alone, and, if possible, to continue important routines like water quality sampling. Personal safety equipment was not an issue during the crisis, with members bringing their own equipment.

Video conferences were not as frequent as reported from other panelists. Phone calls and emails were the daily routine and video conferencing the weekly or twice every week exception, although Mr. Aichlseder acknowledges that video conferences may become a future routine to replace physical travelling. Keeping up the supply was not difficult, although water consumption nearly doubled in some areas due to the lockdown.

All in all, Wolfgang Aichlseder says that the sector responded the very exceptional circumstances in a very positive manner:

> "We haven't been struggling in our business, and the unusual drought throughout the spring presents more challenges than the virus."

The last third of the webinar was spent answering questions from the audience. Themes of interest were the observed changes in consumption patterns, with Mrs. Gebreja reporting



fluctuations of 5 to 20% between months, and the ongoing efforts to use wastewater testing to identify Corona infection hotspots. Here, Mr. Hasenleitner reports that although the same approach has been quite successful monitoring drug use, a Corona survey of a 35,000 inhabitant sector in the western outskirts of Prague produced no results, and that results from another program running in Ceske Budejovice aren't in yet.

Another central issue were differences in payment methods and their effects on revenue streams. Here, Mr. Hasenleitner mentioned an interesting detail regarding customers from the industry and business sectors: With the Czech government providing financial support for companies that are unable to pay their running costs, companies stopped paying their water bills to prove their illiquidity.

Mrs. Gebreja stresses that, generally speaking, during the crisis decreasing revenues meet costs, e.g. for guarding sites and networks, adding to the running costs like rents, loan interests etc.

Mr. Aichlseder's organization experienced fewer problems in this respect, with members paying annual contributions by e-banking.

With the clock running out, Moderator Philip Weller wrapped up the webinar stating that while maybe lacking some of the excitement and glamour of crisis responses in other sectors, water utilities have successfully continued a service of great, and in times of crisis quite visible, importance. He closed with an invitation to the third issue of this webinar, scheduled on 28 May, and dealing with questions of business continuity.

28 May 2020, 15:00 – 16:15: Lessons learned from the COVID-19 pandemic for ensuring business continuity of water services

Register now!

Further information, including the presentations and recording of the webinar, can be found on our website!