REQUEST FOR PROPOSALS (RFP)

Alternative Approaches to Water Shutoffs for Non-Payment of Bills (RFP 5360)

Date Posted
Wednesday, March 18, 2026

Due Date
Proposals must be received by 3:00 pm Mountain Time on Wednesday, May 20, 2026.

WRF Project Contact
Sydney Samples, ssamples@waterrf.org

Project Sponsors
This project is funded by The Water Research Foundation (WRF) as part of WRF's Research Priority Program.

Project Objectives
- Identify and evaluate alternatives to water shutoffs for non-payment of bills, assessing their effectiveness and impact on utility financial sustainability and water service continuity.
- Assess the effectiveness of billing practices in helping keep customers from accruing debt that leads to shutoffs.
- Analyze how billing practices, penalties, and alternatives to shutoffs influence customer payment behavior, including timeliness, default, or participation in assistance programs, and how these effects vary across income levels and utility sizes.
- Evaluate the role of third-party resources in reducing arrearages and late payments and avoiding shutoffs.
- Develop case studies illustrating how utilities have implemented alternative strategies, highlighting their key hurdles and lessons learned.

Budget
Applicants may request up to $200,000 in WRF funds for this project.

Background and Project Rationale
Water affordability continues to remain a top challenge for water utilities and their customers. Across the United States, water and wastewater rate increases are outpacing the U.S. Consumer Price Index. Rate increases are often driven by regulatory mandates (e.g., lead pipe replacements), aging water infrastructure, and climate adaptation efforts. Even with rate increases, some utilities are still not able to meet their needs, and other utilities—due to factors such as local boards reluctant to raise rates to help ensure re-election—are not

permitted to raise rates. On top of this, customers are also dealing with increasing electricity and gas bills, food expenses, and housing costs.

With rising costs for both customers and utilities, affordability and financial stability are top concerns for the water sector. In fact, “Equity, Affordability, & Access” was listed as one of the American Water Works Association’s *Water 2050* main themes. Utilities strive to meet their customers’ water needs affordably, efficiently, and transparently. To date, much research within the affordability space has focused on creating, maintaining, and funding Customer Assistance Programs (Hughes et al. 2014, Clements et al. 2017, Stanford et al. 2018). Customer assistance programs offer valuable help to enrolled customers, but their impact can be limited due to a lack of funding, low enrollment, and the administrative burden of facilitating the program. As a result, even with these programs, some customers still struggle to pay their water bills.

When customers do not pay their bills, it can jeopardize the ability of the utility to provide safe and clean water to all its customers. Therefore, utilities need to encourage payment in a variety of ways. One practice to encourage payment is shutting off the service. When this policy is in place, customers cannot access their water service(s) until they pay their water bill or, at a minimum, join a payment plan. Shutting off water services due to delinquency is a common practice in North America to help maintain utility financial stability.

Critics of water shutoffs believe that utilities should move toward universal water access to maintain public health, safety, and basic quality of life for all. They question whether shut-off policies are equitably enforced and if the cost of shut-offs exceeds the costs gained from payment. The COVID-19 pandemic forced many utilities to grapple with the dilemma of prioritizing financial stability or public health. In 2020, more than 34 state governments imposed a moratorium on water shutoffs, helping lower COVID-19 infection rates (Zhang et al. 2021). Even though the COVID-19 moratoriums have expired, many utilities recognize the role clean water plays in promoting health and safety for all their customers. This has led to continued discussions regarding alternatives to shutoffs for non-payment, but there is a lack of data to support utilities in their decision-making process to consider ways to reduce shutoffs or pursue alternatives to shutoffs for non-payment.

Additional research is needed to explore ways that utilities can both provide continuous service to all customers and maintain fiscal health. This research is especially timely in the wake of the COVID-19 moratoriums and the uptake of pilot studies on alternative practices. This study will explore alternatives to water shutoffs while maintaining utility financial stability, how penalties and similar activities impact customers across the income spectrum, and the benefits of third-party tools to reduce arrearages and pay their bills.

In addition to preventing new arrearages, utilities must also address the significant legacy debt accrued during COVID-era shutoff moratoriums. As such, research should evaluate how alternative approaches to shutoffs can help utilities manage or recover their existing debt burden while continuing to prioritize affordability and public health.

Research Approach
Proposers should describe how they will conduct the research to meet the objectives listed above. At a minimum, this project will:

- Identify and evaluate alternatives to water shutoffs for non-payment, assessing each alternative's effectiveness and impact on utility financial sustainability and water service continuity across different customer classes. As part of the financial sustainability investigation, proposers should assess the implementation costs, potential for revenue recovery, and impacts on long-term arrearage trends and bond rates. Proposers should consider how the type, size, and governance structure of a utility may impact the alternatives they pursue.
- Identify and assess current practices used to proactively prevent water shutoffs and restore water services after disconnection across different customer classes. The investigation should address different communication strategies, payment methods, disconnection and reconnection processes, availability of emergency financial assistance, and contextual factors such as billing structures and local economic conditions. Consider how bundled versus separate billing for water, wastewater, and garbage services influences water service continuity.
- Analyze how billing practices, penalties (such as late fees or reconnection charges), and alternatives to shutoffs influence customer payment behavior. Evaluate how these effects vary across income levels and utility sizes and distinguish between customers' inability to pay and willingness to pay. As part of the review of billing practices, assess the role of third-party resources (e.g., Promise Pay, AI assessment of payment behaviors) to reduce arrearages, minimize late payments, and avoid shutoffs.
- Produce case studies of utilities, domestic or international, that have implemented alternatives to shutoffs. Each case will highlight key challenges, enabling conditions, and lessons learned.
- It is recommended, but not required, that research teams gather insights from front-line customer service staff to better understand operational challenges and the practical impacts of different billing and shutoff-prevention practices.

Expected Deliverables
- Research report (must use WRF's *Research Report Template*)
- Case studies
- Webcast
- Conference presentation

Communication Plan
Please review WRF's *Project Deliverable Guidelines* for information on preparing a communication plan. Conference presentations, webcasts, peer-reviewed publication submissions, and other forms of project information dissemination are typically encouraged.

Project Duration
The anticipated period of performance for this project is 18 months from the contract start date.

References and Resources
The following list includes examples of research reports, tools, and other resources that may be helpful to proposers. It is not intended to be comprehensive, nor is it a required list for consideration.

- American Water Works Association. 2023. *Water 2050: Consolidated Report*. American Water Works Association. https://www.awwa.org/water-2050/.
- Clements, J., Raucher, R., Raucher, K., Giangola, L., Duckworth, M., Isaac Berahzer, S., Hughes, J., Rubin, S., & Colton, R. 2017. *Customer Assistance Programs for Multi-Family Residential and Other Hard-to-Reach Customers*. Project 4557. Denver, CO: The Water Research Foundation. https://www.waterrf.org/research/projects/customer-assistance-programs-multi-family-residential-and-other-hard-reach.
- Cromwell, J.E., Colton, R.D., Rubin, S.J., Herrick, C.N., Mobley, J., Reinhardt, K., & Wilson, R. 2010. *Best Practices in Customer Payment Assistance Programs.* Project 4004. Denver, CO: The Water Research Foundation. https://www.waterrf.org/research/projects/best-practices-customer-payment-assistance-programs.
- Hughes, J., M. Tiger, S. Eskaf, et al. 2014. *Defining a Resilient Business Model for Water Utilities.* Project 4366. Denver, CO: The Water Research Foundation. https://www.waterrf.org/research/projects/defining-resilient-business-model-water-utilities.
- Levine, L., & Wein, O. 2025. *Turn on the Tap: Increasing Participation in Water Affordability Programs Through Data Sharing.* National Resources Defense Council. https://www.nrdc.org/resources/turn-tap.
- Moonshot Missions & NACWA. 2021. *Addressing the Affordability of Water and Water Services in the U.S.: Case Studies of Utility Affordability Programs and Rate Structures.* https://www.nacwa.org/docs/default-source/resources---public/utility-affordability-case-studies_2021.pdf?Status=Temp&sfvrsn=9147fa61_2.
- Shimabuku, M., Curtis, C., Pierce, G., Harrison, G., Vedachalam, S., & O'Fiesh, L. 2025. *Feasibility and Applicability of Leading and Innovative Utility-Led Water Affordability Efforts.* Project 5179. Denver, CO: The Water Research Foundation. https://www.waterrf.org/research/projects/feasibility-and-applicability-leading-and-innovative-utility-led-water.
- Stanford, B., S. Khan, T. Wiedmann, G. Johns, and M. Hadjikakou. 2018. *Comprehensive Analysis of Alternative Water Supply Projects Compared to Direct Potable Reuse.* Project 4761. Denver, CO: The Water Research Foundation. https://www.waterrf.org/research/projects/methodology-comprehensive-analysis-triple-bottom-line-alternative-water-supply.
- The US Water Alliance. 2022. *The Path to Universally Affordable Water Access: Guiding Principles for the Water Sector*. https://uswateralliance.org/resources/the-path-to-universally-affordable-water-access-guiding-principles-for-the-water-sector/.

- US Water Alliance. 2023. *A Promising Water Pricing Model for Equity and Financial Resilience.* https://uswateralliance.org/resources/a-promising-water-pricing-model-for-equity-and-financial-resilience/.
- U.S. Environmental Protection Agency. 2024. *Water Affordability Needs Assessment: Report to Congress.* Last updated June 5, 2025. https://www.epa.gov/waterfinancecenter/water-affordability-needs-assessment.
- Zhang, X., Warner, M.E., & Grant, M. 2021. *Water Shutoff Moratoria Lowered COVID-19 Infection and Death Across U.S. States*. American journal of Preventive Medicine. https://www.sciencedirect.com/science/article/pii/S0749379721004323.

Proposal Evaluation Criteria

The following criteria will be used to evaluate proposals:

- Understanding the Problem and Responsiveness to RFP (maximum 20 points)
- Technical and Scientific Merit (maximum 30 points)
- Qualifications, Capabilities, and Management (maximum 20 points)
- Communication Plan, Deliverables, and Applicability (maximum 15 points)
- Budget and Schedule (maximum 15 points)

PROPOSAL PREPARATION INSTRUCTIONS

Proposals submitted in response to this RFP must be prepared in accordance with WRF's *Guidelines for Research Priority Program Proposals*. The guidelines contain instructions for the technical aspects, financial statements, indirect costs, and administrative requirements that the applicant must follow when preparing a proposal.

Proposals that include the production of web- or software-based tools, such as websites, spreadsheets, databases, etc., must follow the criteria outlined for web tools presented in the *Technology Deliverables Guidance*.

Eligibility to Submit Proposals
Proposals will be accepted from both U.S.-based and non-U.S.-based entities, including educational institutions, research organizations, governmental agencies, consultants, or other for-profit entities.

WRF's Board of Directors has established a *Timeliness Policy* that addresses researchers' adherence to the project schedule. Researchers who are late on any ongoing WRF-sponsored studies without approved no-cost extensions are not eligible to be named participants in any proposals. Direct any questions about eligibility to the WRF project contact listed at the top of this RFP.

Administrative, Cost, and Audit Standards
WRF's research program standards for administrative, cost, and audit compliance are based upon, and comply with, Office of Management and Budget (OMB) Uniform Grants Guidance (UGG), 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and 48 CFR 31.2 Contracts with Commercial Organizations. These standards are referenced in WRF's *Guidelines for Research Priority Program Proposals* and include specific guidelines outlining the requirements for indirect cost negotiation agreements, financial statements and the Statement of Direct Labor, Fringe Benefits, and General Overhead. Well in advance of preparing the proposal, your research and financial staff should review the detailed instructions included in WRF's *Guidelines for Research Priority Program Proposals*.

Budget and Funding Information
The maximum funding available from WRF for this project is $200,000. The applicant must contribute additional resources equivalent to at least 33% of the project award. For example, if an applicant requests $100,000 from WRF, an additional $33,000 or more must be contributed by the applicant. Acceptable forms of applicant contribution include cost share, applicant in-kind, or third-party in-kind that comply with 2 CFR Part 200.306 cost sharing or matching. The applicant may elect to contribute more than 33% to the project, but the maximum WRF funding available remains fixed at $200,000. Proposals that do not meet the minimum 33% of the project award will not be accepted. Consult the *Instructions for Budget Preparation* on the Outbound Grants page for more information and definitions of terms.

Period of Performance
It is WRF's policy to negotiate a reasonable schedule for each research project. Once this schedule is established, WRF and its sub-recipients have a contractual obligation to adhere to the agreed-upon schedule. Under WRF's *No-Cost Extension Policy*, a project schedule cannot be extended more than nine months beyond the original contracted schedule, regardless of the number of extensions granted.

Utility and Organization Participation
WRF encourages participation from water utilities and other organizations in WRF research. Participation can occur in a variety of ways, including direct participation, in-kind contributions, or in-kind services. To facilitate their participation, WRF has provided contact information of utilities and other organizations that have indicated an interest in this research. Proposers are responsible for negotiating utility and organization participation in their proposals. The listed utilities and organizations are under no obligation to participate, and the proposer is not obligated to include them in their proposal.

Application Procedure and Deadline
Proposals are accepted exclusively through WRF's Portal and they must be fully submitted before 3:00 pm Mountain Time on Wednesday, May 20, 2026.

To learn how to submit a proposal for this RFP, please visit waterrf.org/proposals and follow the instructions on the page.

Questions to clarify the intent of this RFP and WRF's administrative, cost, and financial requirements may be addressed to the WRF project contact, Sydney Samples at 571.384.2108 or ssamples@waterrf.org. Questions about how to submit proposals through WRF's Portal should be directed to WRF's Customer Care Form.