

**SEWERAGE AND WATER BOARD  
OF NEW ORLEANS**

**QUARTERLY REPORT ON OPERATIONS**

**QUARTER 1 (JAN., FEB., MARCH) 2026**

## REPORT CONTENTS

SECTION I. STANDARD INDUSTRY METRICS FOR BEST PRACTICE .....	3
SECTION II. PREVENTION OF WASTE AND FRAUD.....	6
SECTION III. PERFORMANCE METRICS FOR EMPLOYEES & CONTRACTORS.....	7
SECTION IV. COORDINATION WITH DEPT. OF PUBLIC WORKS.....	9
SECTION V. EFFICIENCY AND EFFECTIVENESS OF INFORMATION SYSTEMS.....	13
SECTION VI. TECHNOLOGIES, OPERATION PROGRAMS, & SYSTEM REDUNDANCIES & SERVICE IMPROVEMENTS .....	14
SECTION VII. OPERATIONAL REFORMS, CAPITAL IMPROVEMENTS & SERVICE ASSURANCE PROGRAMS.....	15
SECTION VIII. IDENTITY & DETAILED INFORMATION ON THE STATUS OF ALL PROJECTS AND IMPROVEMENTS MADE SINCE THE CLOSE OF LAST QUARTER.....	18

# SECTION I. STANDARD INDUSTRY METRICS FOR BEST PRACTICE

## A. PERCENTAGE OF WATER LOSS

**Background.** Utilities typically incur water loss in two ways. “Real loss” occurs when treated water is physically lost through leaks in pipes and other parts of the distribution system. “Apparent loss” occurs when treated water has been “lost” through unauthorized consumption (theft), aging or defective meters, meter reading inaccuracies, or billing and data errors. On average, utilities nationwide lose 16% of treated water.<sup>1</sup>

**Q1 2026.** As illustrated in Table A, the Sewerage and Water Board of New Orleans (SWBNO) lost 77% of its treated water in Q1 of 2026. SWBNO currently lacks the capability to track the various reasons that can cause “real” and “apparent” water loss. However, the utility is actively pursuing projects that will provide meaningful improvements regarding water data, including the Smart Metering Program and the Water Quality Master Plan (both discussed below). SWBNO began using real-time metering at its Carrollton Water Plant in 2024, and the Algiers Water Plant is also metered. This has improved the utility’s ability to accurately track water production rates and how much treated water is leaving the plants in real-time.

**Table A: Q1 2026 WATER LOSS DATA**

<b>Water Produced</b> 13.8 billion gallons	<b>Water Billed</b> (Water Consumed and Billed) 3.2 billion gallons (23%)	<b>Non-Revenue Water</b> (Water Consumed by Public Entities and not Billed)* (Water Loss) 10.6 billion gallons (77%)
---	---	---

\* Non-Revenue Water includes authorized consumption by certain public entities that are not billed for water usage in accordance with La. R.S. 33:4096.

## B. PERCENTAGE OF WATER PAID

**Table B: Percentage of Water Paid for Water System in Q1 2026**

Water System	Billed, net*	Collected**	% Paid
Q1 2026	\$30,724,492	\$27,190,533	88%
Q4 2025	\$29,811,143	\$25,958,119	87%
Q3 2025	\$29,463,091	\$25,682,769	87%
Q2 2025	\$29,560,854	\$25,914,974	88%

<sup>1</sup> United States Environmental Protection Agency (EPA), [Water Audits and Water Loss Control for Public Water Systems](#), July 2013.

\* Billed reduced by customer credits awarded \*\* Cash basis inclusive of payment plans

**Table C: Percentage of Sewer Paid for Sewer System in Q1 2026**

Sewer System	Billed, net*	Collected**	% Paid
Q1 2026	\$37,150,447	\$37,211,262	100%*
Q4 2025	\$38,730,534	\$38,217,172	99%
Q3 2025	\$37,778,369	\$35,149,928	93%
Q2 2025	\$38,833,697	\$38,584,024	99%

\* Billed reduced by customer credits awarded \*\* Cash basis inclusive of payment plan

## C. RECEIVABLES OUTSTANDING & DELINQUENCY SCHEDULE

**Table D: Delinquent Customer Accounts as of Q1 2026 (March 31, 2026)**

Customer Type	Total # of Accounts	Total # of Delinquent Accounts*	Total % of Delinquent Accounts*	Total (\$) Due from Delinquent Accounts*
Residential	121,157	21,349	18%	\$39,389,414
Multi-Family	4,432	778	18%	\$5,712,840
Commercial	12,601	1,681	13%	\$16,621,382
<b>TOTAL</b>	<b>138,190</b>	<b>23,808</b>	<b>17%</b>	<b>\$61,723,636</b>

\* Delinquent accounts include those with bills that are 60 days past due.<sup>2</sup>

### 1. PROMISE PAY

In Q1 2024, SWBNO launched Promise Pay, a program that allows customers to enroll in an interest free plan with flexible payment options, keep their account in good standing, and avoid a water shut-off. As of the end of Q1 2026, customers are enrolled in 16,370 payment plans. SWBNO has collected \$29.2 million since inception of the program, and customers have committed to paying more than \$24.6 million in future payments. The Promise Pay enrollment rate is 69% of customers with a past due balance (up two points from last quarter). SWBNO is continuing to promote Promise Pay with the objective of raising participation to 90% over the next few quarters.

### 2. DELINQUENT ACCOUNTS

The Utility continues to work with Protiviti Government Services to analyze delinquent accounts, determine the primary causes of debt, and recommend a course of action. The consultant has developed

<sup>2</sup> SWBNO, [Delinquent Bill Process](#), Updated November 2023.

new desk level procedures and workflow for issuing and completing service orders in the system, with service interruption as a last resort for nonpayment of any type by the customer. The service interruptions, updated procedures, and workflow were started on a trial basis in December 2025 and continued in Q1 2026 with additional weekly volume of service disconnects to improve overall collections and limit the need for large payment plans in the future for customers.

## D. CUSTOMER SERVICE IMPROVEMENTS

### 1. PERFORMANCE DATA

**8,483**

Customer emails answered in  
Q1 2026

**10,553**

Walk-in customers served at  
Customer Service Centers in Q1  
2026

**59,191**

Customer calls answered in Q1  
2026

**Table E: Call Center Performance Data for Q1 2026**

Month	Total Calls Received	Total Calls Answered	Total % Calls Answered	Total # Calls Dropped	Total % Calls Dropped	Average Wait Time
January	25,231	19,509	77%	5,720	23%	3:01
February	20,856	17,073	82%	3,781	18%	2:41
March	42,110	22,609	54%	6,503	15%	4:25
<b>TOTAL</b>	<b>88,197</b>	<b>59,191</b>	<b>71%</b>	<b>16,004</b>	<b>19%</b>	<b>3:22</b>

### 2. CUSTOMER SERVICE TRAINING

In Q1 2026, the Customer Service Department continued development of conflict management and de-escalation technique training for the department. The department also continues to build strike teams to improve positive interactions with customers and to promote workplace professionalism.

### 3. BILLING DISPUTES

During Q1 2026, SWBNO continued the process of enabling an outside, third-party consulting firm, selected by the City Council, to hear and handle customer billing disputes.<sup>3</sup> Upon request by customers, State-appointed arbiters have also started hearing appeals when a customer disagrees with the decision

<sup>3</sup> New Orleans City Council, Ordinance Calendar No. 34,775, adopted September 5, 2024.

of the third-party firm. SWBNO maintains open communications with the City Council's Utilities Regulatory Office and the third-party firm to discuss issues related to customer disputes, including disputes that are awaiting arbitration, pending a SWBNO investigation, or where billing credit was granted. SWBNO remains committed to supporting the efforts of the firm and arbiters as they work to resolve customer disputes on the utility's behalf.

## SECTION II. PROCESSES & INDICATORS FOR PREVENTION OF WASTE OR FRAUD

**Background.** As a steward of public funding and resources, SWBNO is committed to maintaining a system of Anti-Fraud, Waste, and Abuse (AFWA) during the regular course of its operations. To this end, SWBNO uses various policies, processes, and procedures to prevent, detect, report, and rectify fraud, waste, or abuse wherever it may exist throughout the utility. Updates for Q1 2026 include:

- **Internal Audit Plan.** SWBNO Internal Audit ("IA") presented the 2026 Audit Plan at the Q1 meeting of the Audit Committee ("AC"); and the Plan was approved via resolution R-031-2026. The Audit Plan includes the following:
  - LT Training & Response Succession
  - Warehousing Follow-Up
  - Timeclocks Review (Overtime Pay)
  - Meter Shop
- **Service Connections & Inspections.** IA reviewed internal controls surrounding customers' connections to the municipal system and the inspections thereof. The Audit Report with Management's Response were presented at the Q1 Audit Committee Meeting: IA's report included nine Findings, and all associated Recommendations were agreed to by Management.
- **Act 393.** IA is conducting a review of SWBNO's compliance with Act 393 (2023). Act 393 of the 2023 Louisiana Legislative Session updated the state's Open Meetings Law to allow eligible public bodies to hold meetings via electronic means and requires all public bodies to provide ADA-compliant remote participation options for people with disabilities. The review is currently in the testing phase.
- **Vehicle Rentals / Leasing.** IA is conducting a review of SWBNO's use of leased and/or rented vehicles (particularly in lieu of fleet) and any risks that may be associated. The review is currently in the testing phase.
- **Change Order Modification Review Committee.** This non-voting committee, comprised of representatives from the Finance, General Superintendent, Legal, and Project Delivery Unit

departments, meets regularly to discuss change orders introduced by SWBNO project managers. In Q1 2026, the committee reviewed five change orders in the amount of \$696,350, two contract amendments in the amount of -\$726,369 (reduced amount the utility does not have to pay), and four contract renewals in the amount of \$5.9 million, all of which were subsequently approved by the board.

- **Lighthouse Reporting System.** SWBNO continues operating its internal reporting system, which encourages employees to submit complaints regarding waste, fraud, and abuse for investigation.

## SECTION III. PERFORMANCE METRICS FOR EMPLOYEES & CONTRACTORS

### A. WATER SYSTEM WORK ORDERS & PERFORMANCE METRICS

In Q1 2026, SWBNO completed more than 4,200 water system work orders. SWBNO’s Networks Department primarily performed this work, with assistance from the utility’s contractors.

**Table F: Q1 2026 SWBNO Networks Department Water System Performance Metrics**

SWBNO Networks Dept. Work Order Type	Work Orders Created Q1 2026	Work Orders Completed Q1 2026	Average Days to Completion Q1 2026
Hydrant Leak	133	130	143
Service Leak	3,367	3,166	20
Main Break	409	352	15
Meter Inspection/Repair	452	458	30
<b>TOTAL</b>	<b>4,361</b>	<b>4,106</b>	<b>52</b>

**Table G: Q1 2026 SWBNO Contractors Water System Performance Metrics**

SWBNO Contractor Work Order Type	Work Orders Created Q1 2026	Work Orders Completed Q1 2026	Average Days to Completion Q1 2026
Hydrant Leak	0	0	0
Service Leak	1	7	284
Main Break	21	17	107

Meter Inspection/Repair	164	141	19
<b>TOTAL</b>	<b>186</b>	<b>165</b>	<b>103</b>

## B. SEWER SYSTEM WORK ORDERS & PERFORMANCE METRICS

In Q1 2026, SWBNO completed more than 1,300 sewer system work orders. SWBNO's Networks Department primarily performs this work, with assistance from the utility's contractors.

**Table H: Q1 2026 SWBNO Networks Department Sewer System Performance Metrics**

SWBNO Networks Dept. Work Order Type	Work Orders Created Q1 2026	Work Orders Completed Q1 2026	Average Days to Completion Q1 2026
House Connection Backup	889	892	0
House Connection Overflow	135	135	0
Lead Repair	193	198	41
Main Repair	44	44	56
Manhole Overflow	73	73	0
<b>TOTAL</b>	<b>1334</b>	<b>1,342</b>	<b>19</b>

**Table I: Q1 2026 SWBNO Contractors Sewer System Performance Metrics**

SWBNO Contractor Work Order Type	Work Orders Created Q4 2025	Work Orders Completed Q4 2025	Average Days to Completion Q4 2025
House Connection Backup	0	0	0
House Connection Overflow	0	0	0
Lead Repair	8	12	83
Main Repair	20	17	76
Manhole Overflow	2	0	0
<b>TOTAL</b>	<b>30</b>	<b>29</b>	<b>32</b>

## C. PAVEMENT REPAIR WORK ORDERS & PERFORMANCE METRICS

In Q1 2026, SWBNO and its contractors completed more than 1,000 paving work orders. SWBNO continues to work toward its goal of completing paving repairs within four weeks of creating a work order.

**Table J: Q1 2026 Pavement Repair Performance Metrics**

<b>Work Order Responsibility</b>	<b>Total Open Work Orders Q1 2026</b>	<b>Work Orders Created Q1 2026</b>	<b>Work Orders Completed Q1 2026</b>	<b>Average Days to Completion Q1 2026</b>
<b>SWBNO</b>	461	1,062	1006	67
<b>SWBNO Contractors</b>	258	138	83	88
<b>TOTAL</b>	<b>719</b>	<b>1,200</b>	<b>1,089</b>	<b>78</b>

\* Project delays involving the Joint Infrastructure Recovery Roads Program (JIRR) and Sewer System Evaluation & Rehabilitation Program (SSERP) have extended the completion timeframe for some work orders managed by SWBNO’s contractors.

## SECTION IV. COORDINATION WITH DEPT. OF PUBLIC WORKS

### A. INFRASTRUCTURE COORDINATING COUNCIL

In January 2026, Mayor Moreno established the Infrastructure Coordinating Council (ICC) through Executive Order HM 26-04. The Council is a standing, year-round advisory body within the Chief Administrative Office (CAO), chaired by the Deputy CAO for Infrastructure, and includes senior representatives from SWBNO, the Department of Public Works, the City’s capital project delivery functions, and participating public utilities. The Council’s purpose is to align planning, operations, and project delivery across the City’s infrastructure agencies, reduce duplicative work and avoidable street cuts, improve project sequencing and permitting coordination, and provide the Mayor with a single forum for monitoring infrastructure performance.

The Executive Director serves as SWBNO’s formal representative on the Council, with the General Superintendent and Chief Information Officer designated as SWBNO points of contact for ongoing Council activity. SWBNO is contributing across the Council’s working group and subcommittees. On the GIS and Project Identification Subcommittee, SWBNO is co-developing the technical framework for a shared capital project dashboard, including the underlying data exchanges that will allow water, sewer, and drainage projects to be coordinated with City roadway and right-of-way work. SWBNO is also engaged on the Funding Subcommittee, with additional staff supporting Permitting and Communications subcommittee work as priorities are identified.

Q1 2026 activity centered on subcommittee formation, identification of priority data interfaces between SWBNO and the City, and initial work toward the shared project dashboard. SWBNO shared a high-level capital project list focused on street-impact and customer-impact work and is coordinating with the City on a data sharing framework to support the dashboard, work order coordination between SWBNO and DPW, and improved visibility into 311 service requests. The Council delivered the Integrated

Infrastructure Workplan to the Mayor in April 2026, satisfying the 90-day deliverable required by the Executive Order.

## B. DRAINAGE SYSTEM CONSOLIDATION

In January 2025, SWBNO and the City executed an agreement, consolidating drainage operations and transferring responsibility for the “minor” drainage system to the utility.<sup>4</sup> For 2025, the City identified \$18.9 million, as shown in Table K, to support operations of the minor drainage system. This funding will help SWBNO begin assessing and cleaning some of the system. However, to reach the utility’s goal of assessing and cleaning 20% of the minor drainage system each year and completing a full assessment and cleaning of the system every five years, which aligns with best practices, a total of \$25 million to \$40 million will be needed annually.

**Table K: Identified Funding for the Minor Drainage System**

Proposed Revenue Source	Original Estimate (2025)	Actuals 2025	Original Estimate (2026)	Actuals 2026
American Rescue Plan Act (ARPA) (one-time)	\$3.7M	\$3.7M		
Electronic Traffic Enforcement Devices from 2024 (one-time)	\$1.8M	\$0		\$3.5M
Special Fair Share Allocation (recurring)	\$5M	\$0M	\$0M	\$0M
DPW Share (25%) of Infrastructure Maintenance Fund (recurring)	\$5M	\$5.8	\$6M	\$0.4M
Electronic Traffic Enforcement Devices (recurring)	\$3.4M	TBD	\$4M	TBD
<b>Total</b>	<b>\$18.9M</b>	<b>\$9.5M</b>	<b>\$10M</b>	<b>\$3.9M</b>

---

<sup>4</sup> Agreement between the City of New Orleans and Sewerage and Water Board of New Orleans for Transfer and Consolidation of Drainage Operations Pursuant to Acts 783 and 103 of 2024, January 14, 2025.

## C. JOINT INFRASTRUCTURE RECOVERY ROADS PROGRAM (JIRR)

### JIRR Program Summary – Qtr1 2026

The Department of Public Works for the City of New Orleans together with the Sewerage & Water Board of New Orleans is pleased to present the progress report for the JIRR Program, 1<sup>st</sup> Quarter 2026.

**Program Data as of March 31, 2026:**

- 29 Projects in the Planning Phase
- 53 Projects in Design
  - Preliminary Design – 11
  - Final Design – 42
- 9 Projects preparing for Bid
- 13 Projects under Construction
- 3 Projects recently Completed
  - Construction Substantial Completion
- 177 Projects in Contract Close-Out

PHASE	PROJECTS	PHASE %	PROGRAM BUDGET	% BUDGET	EXPENDITURES
Planning	29	10%	\$ 72,440,091	4%	\$ 1,454,495
Preliminary Design	11	4%	\$ 3,891,881	0.5%	\$ 2,349,865
Final Design	42	15%	\$ 16,242,695	1.5%	\$ 9,365,699
Bid & Award	9	3%	\$ 48,138,115	3%	\$ 807,189
Construction	13	5%	\$ 367,944,473	22%	\$ 106,567,015
Complete	3	1%	\$ 53,221,585	3%	\$ 47,275,428
Contract Closeout	177	62%	\$ 1,109,437,271	66%	\$ 1,088,162,583
<b>PROGRAM TOTALS</b>	<b>284</b>		<b>\$ 1,671,316,111</b>		<b>\$ 1,255,982,274</b>



The Department of Public Works and the Sewerage & Water Board of New Orleans have been working diligently to execute the Joint Infrastructure Recovery Request Program. We appreciate the assistance and support of FEMA and GOHSEP as we continue to execute this program for the benefit of all citizens of the City of New Orleans and Orleans Parish.

## JIRR Project Activity by Period – Qtr1 2026

Project Activity	SubTotal 2018 - 2021	Prior To 6-May-18	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Moved to Design	196	34	5	10	15	0	51	22	0	6	7	8	17	5	6	5	5
FEMA Submitted	171	18	1	3	3	26	14	11	3	14	19	19	12	16	4	0	8
FEMA Approved	160	17	1	1	1	18	12	14	12	3	15	18	23	8	14	3	0
Bid Opening	87	16	1	3	3	2	4	0	8	7	12	5	8	5	6	2	5
NTP Construction	89	14	0	1	1	2	5	5	1	9	10	12	8	6	8	1	6
Substantial Completion	37	1	1	3	3	4	4	2	0	2	1	2	1	4	3	1	5

  

Project Activity	SubTotal 2018 - 2025	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Moved to Design	257	4	11	4	2	1	2	3	3	4	2	2	0	17	6	0	0
FEMA Submitted	187	8	2	1	0	2	0	0	1	1	1	0	0	0	0	0	1
FEMA Approved	184	10	6	3	0	0	0	0	2	1	1	1	0	0	0	0	0
Bid Opening	123	0	6	3	0	3	1	6	2	1	2	2	2	1	3	3	1
NTP Construction	130	2	2	3	8	5	0	1	5	0	2	5	2	2	1	2	1
Substantial Completion	108	6	6	5	6	4	6	3	8	1	6	5	2	2	3	2	6

  

Project Activity	Program Total 2018 - 2026	Q1 2026	Q2 2026	Q3 2026	Q4 2026	Q1 2027	Q2 2027	Q3 2027	Q4 2027	Q1 2028	Q2 2028	Q3 2028	Q4 2028
Moved to Design	261	4											
FEMA Submitted	188	0											
FEMA Approved	185	0											
Bid Opening	123	0											
NTP Construction	133	3											
Substantial Completion	108	0											



City of New Orleans

2

## D. DRINKING WATER TRANSMISSION MAINS

SWBNO continues progress on replacing aging transmission mains within its water distribution system. These federally funded projects are managed by SWBNO in cooperation with the City of New Orleans as part of the Joint Infrastructure Recovery Roads Program (JIRR).

**Table L: Transmission Main Projects (Locations)**

Completed Projects	In Progress
South Claiborne Completed April 2024  South Claiborne & Third St. Completed February 2025	Decatur & St. Peter Notice to Proceed issued May 2025

## SECTION V. EFFICIENCY AND EFFECTIVENESS OF INFORMATION SYSTEMS

SWBNO is engaged in a multi-year initiative to replace aging information management systems. The modernization and replacement of major enterprise systems address outdated technology in financial management, human resources, customer billing, and asset management. Technology modernization is a core priority in the five-year [strategic plan](#) and is essential to operational reliability, regulatory compliance, and administrative efficiency.

Key progress in Q1 2026 includes:

- **New Financial Management System.** Oracle Cloud Financials went live on February 9, 2026, replacing the legacy mainframe financial system. The utility is in a stabilization period during which the implementation partner continues to provide post go-live support. Phase II of the project, which adds budget planning and forecasting capabilities, is in progress with completion targeted in Q2 2026. Historical financial data is being preserved and migrated to retire the legacy mainframe environment. The new system is improving data availability, financial reporting, and grant compliance.
- **New Human Capital Management System.** SWBNO has selected Dayforce as the new platform for payroll, benefits, time tracking, and workforce analytics. Contract negotiations are in final stages, with all substantive terms agreed and final approvals in progress. Implementation activities are expected to begin in Q1 2026. The system will consolidate HR processes that currently span multiple applications and enable improved reporting on workforce management. Full deployment is planned for mid-year 2027.
- **New Customer Information and Billing System.** The solicitation for a replacement customer billing system was advertised in Q4 2025, and responses were received. The procurement is in the selection phase. Implementation remains targeted for 2029. The new system will replace software that runs on aging technology and will improve billing accuracy, customer account management, and revenue processing.
- **New Asset Management System.** The Board approved Resolution R-001-2026 on January 21, 2026, authorizing 1898 & Co. to implement Trimble Unity Maintain, a cloud-hosted enterprise asset management platform. The award letter was issued in early February 2026, and SWBNO is finalizing the statement of work. Implementation is planned over approximately 27 months in two phases. The first phase covers linear assets (water, sewer, and drainage). The second phase covers facilities and equipment. The new system will replace a work order application that runs on outdated technology and lacks integration with other utility systems.

## SECTION VI. ASSESSMENT & STATUS OF TECHNOLOGIES & OPERATION PROGRAMS & STRATEGIES FOR SYSTEM REDUNDANCY & SERVICE IMPROVEMENTS

### A. WORK ORDER DASHBOARD

SWBNO maintains a [Work Order Dashboard](#). While the dashboard is in the beta version, it can be used by customers to view open work orders citywide. The dashboard, which is updated weekly, provides the type of work order, the date the work order was opened, and the average days for repair. A search tool enables customers to find work orders by street address. The goal is to provide the public with more information and transparency regarding issues that have been reported to the utility and the status of repairs.

### B. PUMPING AND POWER DASHBOARD

SWBNO maintains a [Pumping and Power Dashboard](#) that provides the public with regular updates on pumps, pump maintenance, and power.<sup>5</sup> The utility created the dashboard to serve as a resource of information and improve transparency around the utility's operations.

### C. NEW CUSTOMER PORTAL

SWBNO maintains a [user-friendly online customer account portal](#). The new account format provides details about water usage (including hourly, daily, and monthly meter readings), enables customers to receive alerts and notifications regarding account and usage activity, and illustrates key data points in easy-to-understand graphs and charts. The account also empowers customers to learn more about their water usage based on smart meter data and, if desired, make conservation choices.

---

<sup>5</sup> The Pumping and Power Dashboard can be accessed here: <https://www.swbno.org/Projects/PumpingandPower>.

## SECTION VII. OPERATIONAL REFORMS, CAPITAL IMPROVEMENT PROGRAMS, & SERVICE ASSURANCE PROGRAMS

### A. POWER COMPLEX

SWBNO officially ‘cut the ribbon’ on the Power Complex in December 2025, following the completion of the 30-day reliability tests for new Static Frequency Changer (SFC) 1 and SFC 3.

The contract for final installation and commissioning remains on-going to complete final required testing for SFC 1 and SFC 3, complete the 30-day reliability test for SFC 2 (which began on March 20, 2026), and complete tasks related to the equipment controls system integration. The installation and commissioning of Turbine 7 has been delayed due to contractor issues, but it will be available before the start of hurricane season 2026.

When SFC 1 and SFC 3 are not undergoing testing, the units have been used for daily power needs, as well as stormwater pumping. An additional funding source for future contracts was secured as part of a grant awarded to the State of Louisiana from the Department of Energy for the Louisiana Hubs for Energy Resilient Operations (HERO) program, which will allow SWBNO to connect drinking water pumps to the new substation. The sub-recipient application process was announced by the Louisiana Department of Natural Resources (LDNR) in early April 2025. SWBNO submitted the required application on time and remains in contact with the LDNR office throughout the review process. It is anticipated that a subrecipient agreement for this grant will be executed during the summer of 2026, to allow SWBNO to advertise the projects associated with the \$34M grant program (\$17M grant funds with a \$17M matching requirement).

Additionally, \$8M in capital outlay funds were allocated to the Power Complex during the 2025 legislative session. Projects utilizing this funding are being prepared for bid, including a permanent fuel delivery system for Turbine 7, as well as a new blackstart generator for the entire complex.

### B. SMART METER PROGRAM

- **Installation Progress.** At the end of Q1 2026, more than 136,000 smart meters have been installed. More than 95% of all customer accounts now have a new smart meter.
- **New Smart Meter Bills.** At the end of Q1 2026, more than 130,000 customers are receiving smart meter bills and 70% are registered for the Online Account Portal, which provides an additional communication engine for customer specific messaging and broader alerts. SWBNO is

continuing targeted communications to assure customers that smart meter data and bills are accurate.

- **Improved Leak Detection.** By utilizing new smart meter data, SWBNO’s customer portal has sent an average 9,000 potential leak notifications each month. Approximately 36% of those customers repaired the leaks. The Customer Portal has an ‘Investigate a Leak Module’ allowing customers to proactively check their property for leaks before calling a plumber. Approximately 78% of customers open their leak alerts and 30% click through for additional information to investigate further.

## C. LEAD SERVICE LINE REPLACEMENT PROGRAM

A major water system infrastructure project on the horizon is SWBNO’s Lead Service Line Replacement Program. The purpose of the program is to improve public health by locating, removing, and replacing all lead service lines (learn more about lead awareness [here](#)). Key steps to carry out this project are already underway. Major Q1 2026 updates include:

- **Lead Service Line Inventory.** SWBNO has completed its citywide inventory, which requires locating and documenting the composition of all service lines (e.g., lead, other materials, unknown materials). The interactive online map can be accessed through the [Lead Awareness](#) webpage. Each year notifications to customers with lead, galvanized steel, and unknown service lines will be mailed with information about the program and their service line material.
- **Program Management.** SWBNO is hiring a program management firm to manage the lead service line replacements, inventory, mitigation, and communications required by the Environmental Protection Agency (EPA). A request for proposals for program management services was re-released in Q1 2026. Proposals were received in March 2026, with the evaluation selection committee meetings in April. The utility selected CDM Smith to manage the program. SWBNO is now in contract negotiations with CDM Smith to finalize the agreement.
- **Public Education and Communication.** SWBNO continues to develop a strategic communications plan and key messaging materials about the program.

## D. WATER QUALITY IMPROVEMENTS

The Water Quality Master Plan will identify the next level of investments and upgrades needed at the Carrollton and Algiers water treatment plants. It will consider new technology, the current and changing regulatory landscape, and the potential impacts of climate change. This effort was substantially complete in December 2025, with a final report being compiled in Q1 2026. The next steps in this effort include the following:

- Implement corrosion control optimization pilot test at the Algiers Water Treatment Plant, which will help protect against impacts from future saltwater intrusion events in the Mississippi River.
- Implement coagulant chemical pilot test at Carrollton Water Plant, to improve efficiency and eventually reduce chemical costs.
- Begin a request for proposals for preliminary design for the first phase of rehabilitation of treatment facilities at the Carrollton Water Plant, which is part of a 30-year capital improvement plan (CIP).
- Obtain funding for a 5-year CIP through state capital outlay program, to fund critical repairs that are needed to maintain level of service while the larger replacement program is being developed.

## **E. SEWER (WASTEWATER) IMPROVEMENTS**

SWBNO has concluded the design phase of major improvements for both the East Bank and West Bank Sewer Treatment Plants. SWBNO has competitively bid and awarded Phase I Improvements for the East Bank Sewer Treatment Plant to RNGD. SWBNO will use \$38 million in state loans to pay for these upgrades and improvements. The utility has also applied for a federal earmark for fiscal year 2026 to help fund other needed improvements.

## **F. SELA DRAINAGE PROJECTS**

The U.S. Army Corps of Engineers (USACE) recently awarded the second contract, SELA 72.2, for the General De Gaulle Drive Drainage Canal Improvement Project. This project will include drainage improvements in Algiers, as well as earthen levee improvements near the Algiers Outfall Canal. SELA 26 Florida Ave Phase IV is in closeout and USACE plans to award the second part of the contract in Q4 2025.

## **G. SWBNO WORKFORCE**

SWBNO's Human Resources Department has prioritized strengthening the onboarding experience to support employee engagement, retention, and long-term workforce stability. The enhanced onboarding program introduces new employees to the company culture and work environment within their first two days. Our survey results indicate that this enhancement has boosted our new employees' confidence and enthusiasm about joining the SWBNO team.

**Table M: Q1 2026 Workforce Data**

	<b>Vacant Positions</b>	<b>New Hires</b>	<b>Resignations</b>	<b>Terminations</b>	<b>Retired</b>
<b>Q1 2026</b>	85	8	19	5	10
<b>Q4 2025</b>	76	57	17	9	3
<b>Q3 2025</b>	99	27	9	15	1
<b>Q2 2025</b>	387	29	15	21	4

**SECTION VIII. IDENTITY & DETAILED INFORMATION ON THE STATUS OF ALL PROJECTS AND IMPROVEMENTS MADE SINCE THE CLOSE OF LAST QUARTER**

See information and updates included in Section VII (Operational Reforms, Capital Improvements, and Service Assurance Programs).