Overview of the New Delegation Contract for water with the Greater Marseille Metropolitan Authority (MPM)

Geneva, Switzerland
22 October 2014
General provisions

- Purpose
- Scope
- Term 15 years
- dedicated legal structure
General provisions

Dedicated legal structure

Pooling of some services
General provisions

Purchasing

• Formal BID above 50 000 € / year / supplier

• Framework agreements opened to competitive bidding every 3 years

• Penalties : 10% of total amount
New Governance: a joint organisation at every level

Comité de gouvernance

Commission TECHNIQUE et PATRIMOINE

Commission PILOTAGE

Commission COMMUNICATION

Commission SOCIETALE

Comité scientifique

STAKEHOLDERS
users, scientists, associations.

Contract

Monthly operating meetings
Transparency

- A dedicated extranet
  - Data access: MPM has access to all information through EXTRANET specific application « PADOC »
Extranet - Data warehouse

Applications Support
- SAGE X3
- ACHAT+
- PEOPLENET (RH-PAYE)
- VDOC - QSE

Applications Autres
- PANORAMA
- CANOE
- CALAMAR
- MESUREMENT
- LINS
- DATI

ETL TALEND

Entrepôt de données Communauté Urbaine

Portail SIG Padoc

Espace Communauté Urbaine
Extranet

Example map: Results for drinking water quality
Extranet

- Access to information
  - Via an EDM (electronic document management) system
  - Direct access to specialist applications (GIS,...) and reports
### Performance Indicators

**Tableau de bord des indicateurs de performance (IP) annuels**

<table>
<thead>
<tr>
<th>Service à l’usager</th>
<th>Résultat Global MPM</th>
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<th>Export Excel</th>
<th>Loge</th>
<th>Accès à l’IP par communes</th>
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#### Gestion du service et environnement

<table>
<thead>
<tr>
<th>IP-GE</th>
<th>Indicateur budgétaire de pertes en réseau</th>
<th>Résultat</th>
<th>Non conforme</th>
<th>Conforme</th>
<th>Certification</th>
<th>Certification auto-contrôle</th>
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#### Développement durable

- Certification ISO 14001

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**La CÔME DE MARSEILLE**

**Indicateur de performance IP-G4 Indicateur budgétaire de pertes en réseau**

<table>
<thead>
<tr>
<th>CÔME DE MARSEILLE</th>
<th>Indicateur de performance IP-G4 Indicateur budgétaire de pertes en réseau</th>
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**Les indicateurs budgétaires de pertes sont définis par la suite les indicateurs qui définissent le niveau de pertes en réseau.**

**Groupe de Marseille**

[Link to Eaux de Marseille website](http://eauxdemarseille.fr)
Transparency

Accounting structure

● An annual operating statement identical to the company accounts of the dedicated legal structure

● Special statements (wholesale water sales, aid follow-up, renewal works, etc.)

Reports

● Monthly, quarterly, yearly reports

● Delegatee’s annual report to be sent to MPM by 30 March.

● More than 100 reports per year
Technical management - Water supply

- Source of water
- Raw water supply along the Marseille Canal
- Efficiency objectives
Technical management - Production

- Structures: 10 drinking water production plants and the Gémenos ZI boreholes
- Operating and maintenance
- Renewal of structures
Technical management - Distribution

- Water quality self-monitoring
- Sudden drop in quality, quantity or pressure

Strict commitments for the delegatee:
- 85% as of 1 January 2017
- 86.5% as of 1 January 2020
- 88% as 1 January 2022 for average efficiency
Operating and maintenance

- Periodic inspection of all equipment and accessories
- Leakage and breakage: start of repair work within 2 hours
Remote metering

- Deployment by 31 December 2017 and first bills as of 1 January 2018
- 183,000 meters, 13,000 repeaters, 100 concentrators
A smart water service

- Meters
  - Building in which each household has its own meter
  - Building with one meter for the entire building
  - Concentrator: Receives radio data from the meters (up to 1,000 per concentrator)
  - Repeaters
  - Individual houses with a meter

- Radio module
- Pulse transmitter

- Meter

- Eaux de Marseille
  - eauxdemarseille.fr
## Technical management - Works

- **Investments in '000 euros**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remote metering</td>
<td>24,370</td>
</tr>
<tr>
<td>Acoustic sensors</td>
<td>1,086</td>
</tr>
<tr>
<td>Pressure regulation</td>
<td>2,039</td>
</tr>
<tr>
<td>Modernisation and reinforcement of the Sainte-Marthe remote management centre</td>
<td>117</td>
</tr>
<tr>
<td>Information system/computer investments</td>
<td>4,479</td>
</tr>
<tr>
<td>Service operation (alert stations, etc.)</td>
<td>1,859</td>
</tr>
<tr>
<td>Sustainable development</td>
<td>1,232</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>35,182</td>
</tr>
<tr>
<td>Transitional period cost</td>
<td>4,555</td>
</tr>
<tr>
<td><strong>Total investment (including transitional period)</strong></td>
<td>39,737</td>
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</table>
Technical management - Works

- Renewal in '000 euros

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<tr>
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<th>Over 15 years</th>
<th>Yearly average</th>
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<tr>
<td>Canal civil works</td>
<td>22,586</td>
<td>1,506</td>
</tr>
<tr>
<td>Civil works other than canal</td>
<td>8,360</td>
<td>557</td>
</tr>
<tr>
<td><strong>Sub-total Civil works</strong></td>
<td><strong>30,946</strong></td>
<td><strong>2,063</strong></td>
</tr>
<tr>
<td>Equipment</td>
<td>48,267</td>
<td>3,218</td>
</tr>
<tr>
<td>Pipework</td>
<td>215,770</td>
<td>14,385</td>
</tr>
<tr>
<td>Connections</td>
<td>67,869</td>
<td>4,525</td>
</tr>
<tr>
<td><strong>Total Renewal</strong></td>
<td><strong>362,852</strong></td>
<td><strong>24,190</strong></td>
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</tbody>
</table>
Information system

- A computer master plan to be submitted to MPM every 3 years

- Creation of a data warehouse

- Permanent, direct access for MPM to service native data, GIS (PADOC)

- Overall control and supervision centre to be set up by the end of the first year
Certification

• Commitment to meet ISO 9001, ISO 14001, OHSAS 18 000, ISO 50001 and NF Services standards within 2 years (30 June 2016)

• Commitment to apply HACCP then ISO 22000 within 5 years (30 June 2019)
User service

- Service commitments associated with penalties for non-compliance and with the customer charter

- NF Services certification
Sustainable development

- Conservation of biodiversity
Sustainable development

- Fighting the greenhouse effect – A Zero-carbon service
  - 30% cut in greenhouse gas emissions
  - 100% clean vehicle fleet and 15 solar parking canopies
  - Renewable energy sources
  - Total compensation of residual emissions
Sustainable development

● Solidarity with the local community
  ● Aid programmes: a €1 million/year fund for curative (housing, social action) and preventive action (awareness)
  ● Access to water: 30 drinking fountains over 15 years

● International aid
  ● 0.5% of service revenue paid into a fund, representing €425,000 per year

● Social integration
  ● 10% new jobs
Financial conditions - drinking water rates - delegatee’s share

- Rates as of 1 January 2014 and annual adjustment
- General meter rates:
  Fixed charge of €11.40 per year per account and charge per m³ based on 2 six-monthly consumption per account
  - From 0 to 15 m³: €0.5150/m³
  - Beyond 15 m³: €1.5150/m³
Financial conditions - drinking water rates - delegatee’s share

- Special rates, including:
  Rate for “multi-unit residential buildings”
  - Fixed charge of €11.40 excl. VAT per year and
    per unit and charge per m³ based on 2 six-monthly consumption per unit:
      - From 0 to 15 m³: €0.5150/m³
      - Beyond 15 m³: €1.5150/m³
Financial conditions - drinking water rates - delegatee’s share

- “Public space” rates: €0.2992/m³

- Reserved for MPM and its member communities with strict application conditions in the contract
Financial conditions – raw water rates – outside MPM

- New rates structure including “normal” and “high-season” contributions, part of which is proportional to the volume supplied
Financial conditions – changes in delegatee remuneration

- Adjustment formula for drinking water rates including a productivity factor \( p_n \) of 0.20% for water supply per year as from 2017
Financial conditions – Profit-sharing

- Calculated based on 3 criteria (user service, sustainable development, service management) with a maximum amount of €477,500/year excl. VAT
Financial conditions – Penalties

- 72 penalties stipulated in the contract
- Upper limit: 5% of total revenue
Thank you for your attention.