



CENTRAL ARKANSAS

Central Arkansas Water: From Utility Provider to Regional Partner

Central Arkansas Water (CAW) has steadily grown into a statewide leader in customer support and utility-to-utility collaboration. Through strategic partnerships and proactive outreach, CAW increased access to affordability programs for customers in need while simultaneously extending support to smaller utilities across Arkansas. This case study highlights CAW's efforts to connect customers to federal funding and explores how CAW has become vital to water system viability across the region.

Background

Central Arkansas Water (CAW) is the largest water utility in Arkansas, serving approximately 500,000 people across 8 counties and 721 square miles. Like many utilities across the country, CAW recognized that some customers struggled to pay their water bills.

In 2021, CAW saw an opportunity to provide household-level bill assistance through the federal Low-Income Household Water Assistance Program (LIHWAP). LIHWAP was a federally funded program created to help low-income households pay overdue water and wastewater bills, restore water service and avoid water shutoffs. The temporary program was designed as an emergency response to affordability challenges during and after the COVID-19 pandemic.

Through LIHWAP, eligible CAW residential customers could apply for relief funds of up to \$2,000 for past bills and up to an additional \$2,000 for current and future bills. While LIHWAP closed out in 2024, CAW's implementation strategies still serve as a model for utilities pursuing customer assistance programs funded by other sources.

Utility Snapshot



Location: Central Arkansas

Communities Served: Little Rock, North Little Rock, Alexander, Brushy Island Public Water Authority, Cammack Village, College Station, Sherwood, Wrightsville, 145th Street Water and Sewer Improvement District, unincorporated Pulaski County and Paron

Water Sources: CAW's water sources are Lake Maumelle and Lake Winona, which together provide a combined safe yield of 120 million gallons per day.

Connecting Customers to LIHWAP Federal Support

LIHWAP provided funds for CAW to directly help customers who struggled to pay their water bills. However, like many utilities that implement customer assistance programs, CAW found that reaching eligible customers and enrolling them in the program was challenging. Those most in need are often the least likely to navigate complex application systems. In response, CAW developed a comprehensive approach to customer outreach and enrollment.

Streamlining Customer Outreach and Enrollment

CAW's strategy was built on proactive targeted outreach to ensure eligible customers were aware of the program. CAW's customer service and billing teams began by identifying customers who were behind on their water bills. CAW also cross-referenced the state's federal Supplemental Nutrition Assistance Program (SNAP) recipient list with its customer database, as households enrolled in SNAP were likely to meet LIHWAP eligibility criteria. By identifying customers with past-due balances and leveraging SNAP data, CAW was able to direct outreach efforts to those most likely to qualify. CAW then leveraged its customer-facing infrastructure to further awareness of the program and drive enrollment:

- **Press Conference Launch (March 2023):** CAW's CEO announced statewide LIHWAP access alongside city leaders.
- **Follow-up Media Blitz:** Local outlets (e.g., THV11, *Arkansas Times*, KUAR) carried the signup link and eligibility messaging for weeks.
- **Website and Social Media:** CAW published multilingual guides, including bilingual flyers, eligibility checklists and explainer videos.
- **In-person Assistance:** CAW staff organized off-hours pop-up enrollment fairs at churches, libraries and community centers, helping residents photocopy IDs, complete applications and submit paperwork on the spot.

Helping Other Utilities Access LIHWAP Funds

As CAW ramped up efforts to connect its own customers with LIHWAP, it also considered how those same tools and strategies could benefit other utilities. Many neighboring, smaller providers lacked the staffing, software or infrastructure to effectively navigate LIHWAP requirements. CAW extended its expertise to assist utilities across the state so their customers could access this critical assistance.

CAW offered direct support to smaller, understaffed utilities by sharing the tools and strategies it developed. This included providing model customer outreach scripts, bulk-mail formats and step-by-step application checklists. CAW's Government Affairs Manager conducted regional training sessions on LIHWAP documentation and audit requirements, helping rural operators navigate the program's complexities.

CAW participated in community enrollment initiatives to sign up its own customers and those at other utilities. They organized pop-up enrollment fairs at libraries, churches and municipal buildings, bringing the application process directly to residents. CAW staff volunteered their time to assist individuals with completing forms, photocopying IDs and submitting documents on the spot. These efforts were often conducted in collaboration with local nonprofits, leveraging existing community networks to reach those in need.

Results and Impact

Through these efforts, CAW played a pivotal role in expanding access to LIHWAP across Arkansas. The utility's proactive approach not only helped thousands of households avoid water service disconnections but also positioned CAW as a model for regional collaboration.

18,177 Arkansas households received LIHWAP assistance in FY 2022–2024, with 5,315 shutoffs averted statewide.

CAW was the single largest submitting utility in the state, responsible for the highest volume of processed applications.

Supporting Customers Beyond LIHWAP

While LIHWAP sunsetted in 2024, CAW continues to assist customers who struggle to pay their water bills. CAW promotes a “collection with compassion” approach across its customer service team, recognizing that nonpayment is often a sign of financial challenges and those customers may be choosing between paying their water bill and meeting other essential needs. Historically, CAW has provided payment extensions and delayed shutoff processes to accommodate customers facing financial difficulties.

In July 2023, CAW expanded its commitment to affordability by partnering with PromisePay, a private company that specializes in administering payment plans for government and utility clients. Through this public-private partnership, CAW launched a no-fee, interest-free payment plan program for customers with past-due drinking water and wastewater bills. All CAW residential and commercial customers with a past-due balance of \$50 or more are eligible for the program. Customers who enroll in a payment plan are protected from penalties, fees and water service disconnections, provided they stay current on their plan and pay new bills.



Photo courtesy of CAW: Lake Maumelle Watershed

Serving as a Regional Backbone for Other Water Utilities

CAW's impact across Arkansas extends beyond its LIHWAP implementation work. Over the past decade, CAW has steadily transformed into a support system for other utilities in the state. CAW acts as a lifeline and mentor to dozens of small utilities across Arkansas.

This role emerged in response to Arkansas's unique water landscape with more than 750 individual retail providers, many of them rural and under-resourced. What began as informal troubleshooting calls has matured into a structured, multi-tiered regional collaboration program that spans emergency operations, technical assistance, training and system consolidation.

CAW's board formalized a commitment to regional support in its financial planning documents, allocating staff time and resources to assist other providers under the explicit goal of "answering the call to help other utilities."

Emergency Stewardship: The Perla Case

In late 2021, Perla Water Association, a small system in Hot Spring County, was placed under court-ordered receivership due to aging infrastructure and limited operating capacity. The judge appointed CAW as steward of both drinking water and wastewater services.

CAW crews arrived the very next day. They mapped valves, replaced failing meters and jumpstarted long-dormant lift stations, all while navigating emergency safety and compliance needs. While state grants helped cover costs, CAW supplied the logistical needs: field labor, equipment, engineering expertise and institutional knowledge.

As of January 2026, CAW continued its support by working with the City of Malvern to transition the Perla systems to Malvern. This was the most practical next step as Perla already purchases its drinking water from Malvern, and Malvern's systems treat Perla's wastewater.

This example illustrates the stabilizing role that a larger regional utility such as CAW can play if a smaller system becomes unable to meet basic public-health requirements.

Long-Term Planning

CAW's role in long-term regional planning is a critical component of its support to other utilities. Partnering with an engineering firm and using a grant from the state's Natural Resources Division, CAW helped lead a statewide assessment of underserved water systems. The team studied 19 regions in Arkansas, evaluating the long-term viability of systems to promote system longevity through consolidation, wholesale supply, or management contracts, and to develop roadmaps for success.

Facilitating Consolidations and Mergers

CAW helps neighboring utilities identify efficient ways to collaborate. In 2018, CAW finalized the full consolidation of Maumelle Water Management, a suburban improvement district serving 7,500 connections. With support from consultants, CAW led negotiations, financial modeling and legal transitions to ensure a smooth merger.

In the Arkansas Delta, CAW convened and supported conversations between the Grand Prairie Water District and the smaller Wright-Pastoria system. Backed by data from previous experiences, they secured state support to retire Wright-Pastoria's debt, clearing the way for Grand Prairie to adopt the system.

Supporting Administrative Capacity

CAW provides day-to-day administrative support to small utilities lacking core infrastructure. It shares rate study templates and technical scopes of work. It also makes its billing and collections templates available statewide, everything from lockbox remittance forms to automated clearinghouse (ACH) setup guides.

Training, Mentorship, and Peer Learning

Beyond direct assistance, CAW builds long-term capacity through training and informal mentorship. At the Arkansas Water & Wastewater Managers Association spring workshops, CAW staff present sessions tailored to small-system realities, like how to prioritize capital projects or understand bond requirements.

CAW also hosts operators at its own campus in Little Rock. These “ride-along” experiences provide smaller utility managers with behind-the-scenes exposure to SCADA systems, lab procedures and asset management workflows, giving them tools to bring back to their own communities.

IMPACTS (2021-2024)



25+ Under-resourced utilities receiving formal CAW assistance



1 Receivership managed (Perla)



3 Consolidations completed or underway (Maumelle, Perla, Paron-Owensville)



10+ Rural workshops and site visits hosted in 2023

A Model for Others

CAW's work to help other utilities – both by implementing direct household bill relief through the LIHWAP program and by supporting overall utility management – has had a significant impact on the central Arkansas region. Its approach reflects a thoughtful, stepwise progression: stabilizing systems in crisis, supporting long-term sustainability planning and then offering mentorship or exploring consolidation when it makes sense. CAW's work shows what's possible when a well-resourced utility sees itself not just as a service provider, but as a regional partner.

Acknowledgments and Disclaimer

EPA's Water Finance Center developed this case study in collaboration with Central Arkansas Water as part of EPA's work to highlight innovative ways that utilities are addressing water affordability challenges. This document is intended to be solely informational. EPA is not endorsing any specific strategy presented. EPA's Water Finance Center would like to thank Central Arkansas Water for providing information and images for this case study.

Learn More

To learn more about CAW, visit its [webpage](#).

To read more case studies and learn about EPA's water affordability work, visit [Water Affordability | US EPA](#).