

# RATE STRUCTURE OPTIONS

September 13, 2017

# Today's Presentation

- ▶ Identification of Rate Structure Options
- ▶ Details of Rate Structure Options and Bill Impacts
- ▶ Evaluation of Rate Structure Options
- ▶ Rates By Class

# Commission's Pricing Policy Prioritization

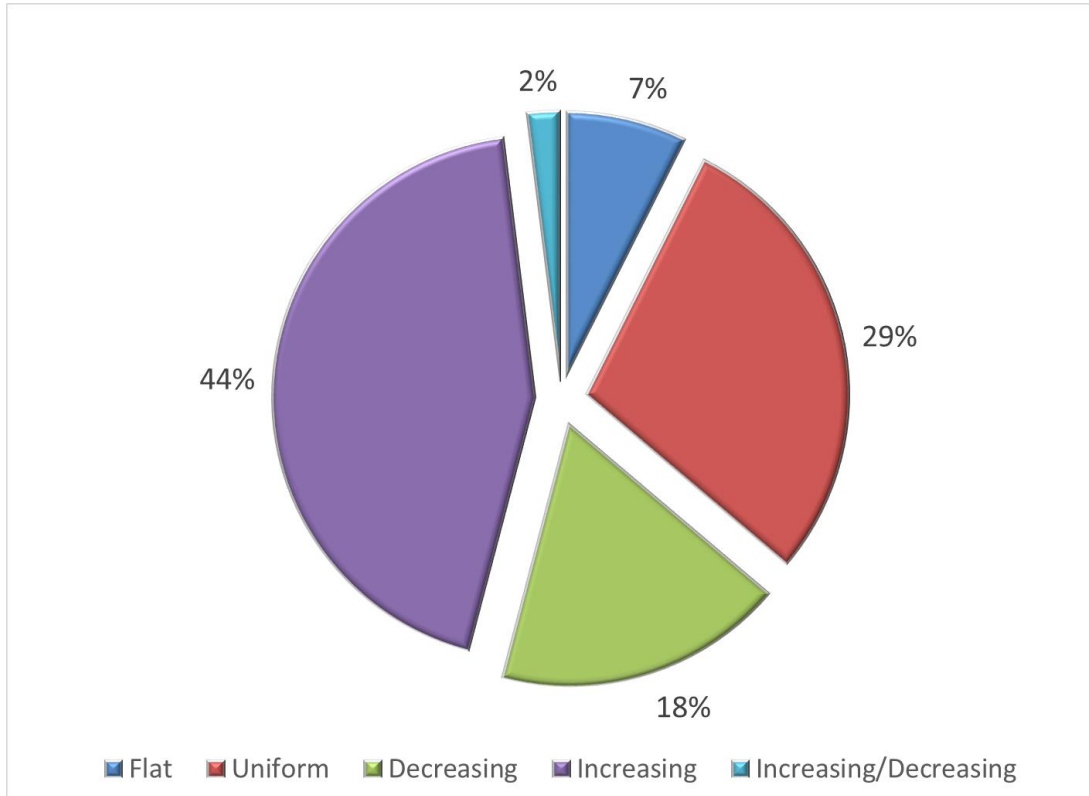
Policy Considerations	Score
Revenue Stability	17
Conservation/Demand Management	15
Rate Stability	15
Affordability	14
Ease of Understanding	12
Ease of Implementation	11
Minimize Customer Impacts	11
Cost Based Rates	6

# Identification of Rate Structure Options

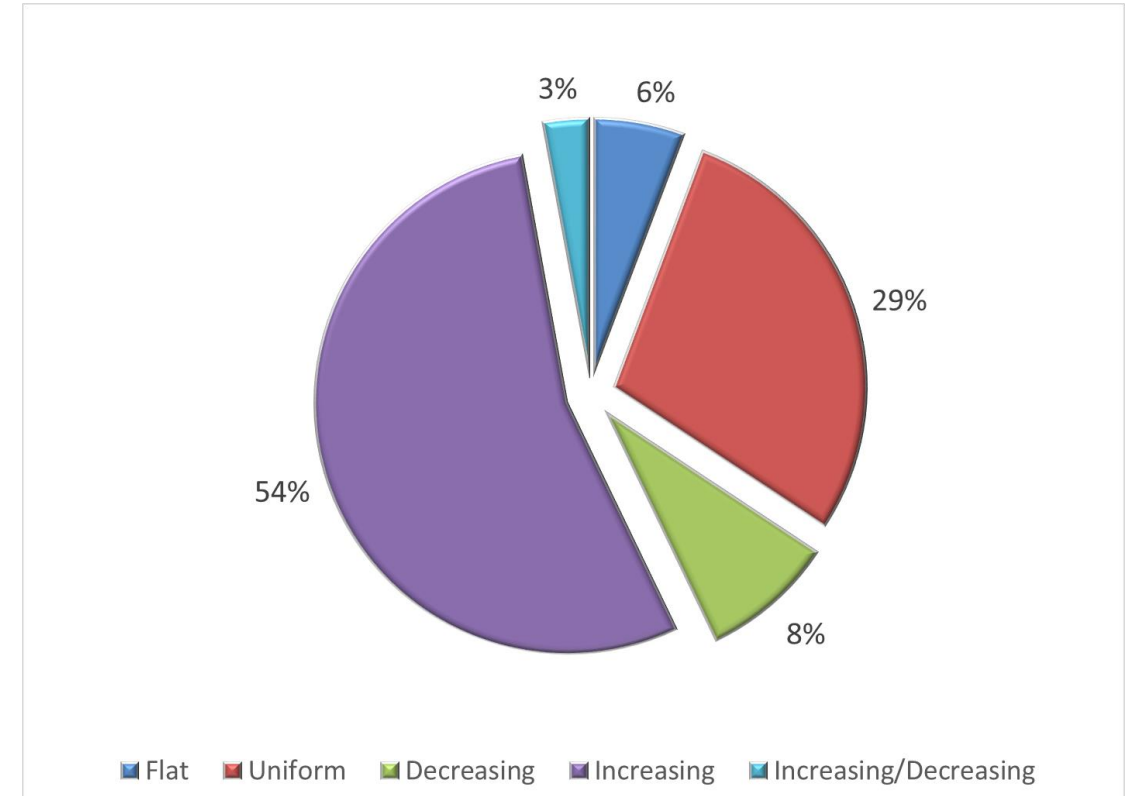
- ▶ Examined various volumetric rate structures
- ▶ Determined that an inclining block structure is best at addressing pricing policies
- ▶ Only one customer class per state law
- ▶ Basis for rate design is 3 person single family household
- ▶ Only consumption within a tier is billed at that tier's rate

# Water Rate Structures

## Residential



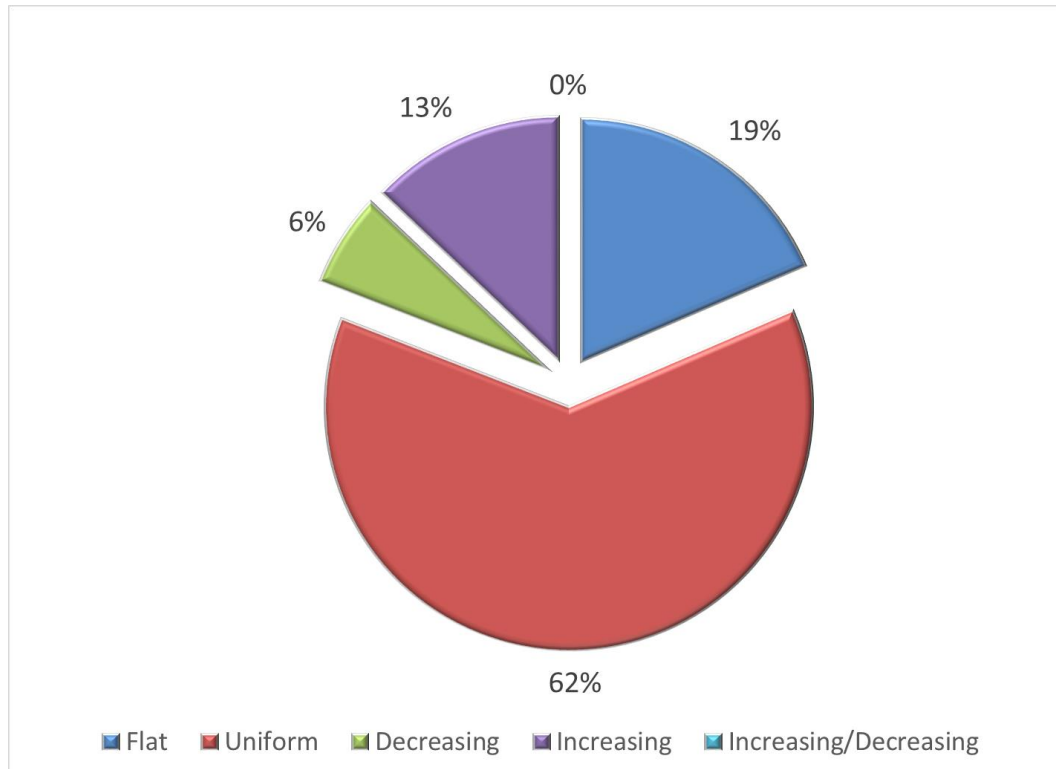
## Non-Residential



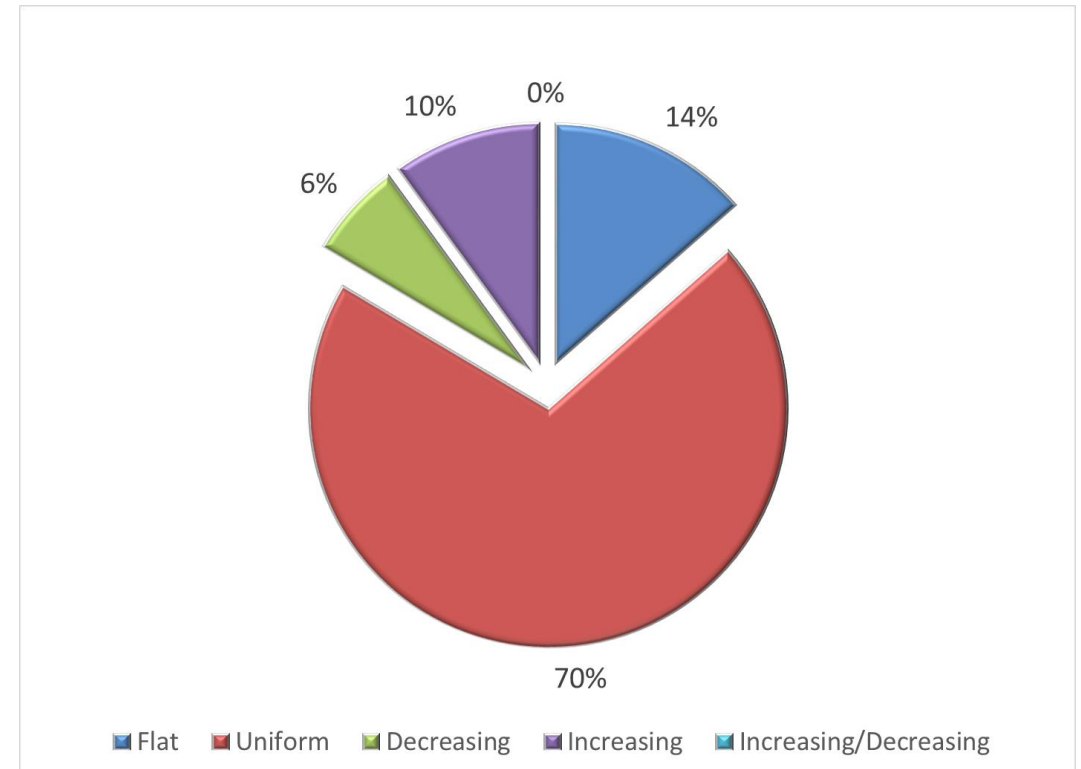
Data from 2016 AWWA/RFC Water and Wastewater Rate Survey

# Wastewater Rate Structures

## Residential



## Non-Residential



Data from 2016 AWWA/RFC Water and Wastewater Rate Survey

# Key Considerations

- ▶ Customer base is overwhelmingly residential with 93% of bills to Single Family Residential (SFR) and Multifamily (MF)
  - SFR about 2/3 of all households
  - Nearly ¾ of households are 3 or less; 95% 5 or less
  - Typical household size in WSSC service area is 3 people
- ▶ 100 litres (26 gallons) – World Health Organization (WHO) estimate of minimum sanitary needs
- ▶ 55 gallons per day – Average per capita consumption in WSSC service area

# Rate Structure Options

		W/WW Tier Cut-offs (gpd)			
<b>Uniform</b>	NA				
<b>3 Block Inclining</b>	<b>Option A</b>	80	<b>Option B</b>	165	
		165		275	
		>165		>275	
<b>4 Block Inclining</b>	<b>Option A</b>	80	<b>Option B</b>	80	
		165		165	
		275		9,000	
		>275		>9,000	



# Distribution of Customers and Volume

- ▶ All options reflect “billing through tiers”
- ▶ Estimated % of customers with bills stopping within each tier varies depending on range of tiers
- ▶ Estimated % of volume billed in tier varies for water and sewer – amount shown is approximate for combined

3 Block Option A			
Tier (gpd)	Kgal/Qtr	% Customers Ending in Tier	% Vol. Billed in Tier
0-80	7	27.9%	30%
81-165	15	40.4%	20%
>165	>15	31.7%	50%
3 Block Option B			
Tier (gpd)	Kgal/Qtr	% Customers Ending in Tier	% Vol. Billed in Tier
0-165	15	68.3%	50.0%
166-275	25	21.6%	8.5%
>275	>25	10.1%	41.5%
4 Block Option A			
Tier (gpd)	Kgal/Qtr	% Customers Ending in Tier	% Vol. Billed in Tier
0-80	7	27.9%	30%
81-165	15	40.4%	20%
166-275	25	21.6%	8.5%
>275	>25	10.1%	41.5%
4 Block Option B			
Tier (gpd)	Kgal/Qtr	% Customers Ending in Tier	% Vol. Billed in Tier
0-80	7	27.9%	30%
81-165	15	40.4%	20%
166-9,000	821	31.6%	31.5%
>9,000	>821	0.2%	18.5%

# Customer Impact Examples

- ▶ All customer bill examples include Ready-to-Serve charges
- ▶ Rates are based on FY18 Budget with additional 2% added to account for revenue risk of new structure and billing system
- ▶ Impact is based on quarterly bills

# Uniform Rates

	Combined Rate (\$/kgal)	Current Bill (\$/quarter)	Average Family Impact					
			Bill (\$/quarter)	\$ Change (\$/quarter)	% MHI PGC	% MHI MC	% LQI PGC	% LQI MC
<b>Uniform</b>	\$14.73	\$205.45	\$248.95	\$43.50	1.3%	1.0%	5.0%	4.0%

*Average Family - 3 person household using 55 gpd/person*

# Uniform

Basis For Tiers	Costs Included In Tier Rates
<ul style="list-style-type: none"> <li>No Tiers</li> </ul>	<p>All costs recovered through uniform rate</p>
<p style="text-align: center;"><b>Responsiveness to Key Pricing Policies</b></p>	
<ul style="list-style-type: none"> <li>Revenue Stability – Best structure in terms of revenue stability</li> <li>Conservation – Worst structure in terms of conservation message</li> <li>Rate Stability – Largest change from current rates</li> <li>Affordability – Worst structure in terms of affordability</li> <li>Cost of Service – Closest option to Cost of Service</li> </ul>	

# Bill Impacts – Residential

Single Family Residential 3/4" meter, 26 gpd

	Current	Uniform	
	Bill Amount	Bill Amount	\$ Change from Current
Total Bill	\$ 43.90	\$ 57.46	\$ 13.56

Single Family Residential 3/4" meter, 100 gpd

	Current	Uniform	
	Bill Amount	Bill Amount	\$ Change from Current
Total Bill	\$ 121.42	\$ 160.57	\$ 39.15

Single Family Residential 3/4" meter, 55 gpd

	Current	Uniform	
	Bill Amount	Bill Amount	\$ Change from Current
Total Bill	\$ 73.60	\$ 101.65	\$ 28.05

Single Family Residential 3/4" meter, 165 gpd

	Current	Uniform	
	Bill Amount	Bill Amount	\$ Change from Current
Total Bill	\$ 205.45	\$ 248.95	\$ 43.50

Single Family Residential 3/4" meter, 80 gpd

	Current	Uniform	
	Bill Amount	Bill Amount	\$ Change from Current
Total Bill	\$ 91.84	\$ 131.11	\$ 39.27

Single Family Residential 3/4" meter, 500 gpd

	Current	Uniform	
	Bill Amount	Bill Amount	\$ Change from Current
Total Bill	\$ 822.88	\$ 705.58	\$ (117.30)

# Bill Impacts – Non-Residential

## Nonresidential 2" meter, 750 gpd

	Current	Uniform	
	Bill Amount	Bill Amount	\$ Change from Current
<b>Total Bill</b>	<b>\$ 1,414.24</b>	<b>\$ 1,213.64</b>	<b>\$ (200.60)</b>

## Nonresidential 2" meter, 2,000 gpd

	Current	Uniform	
	Bill Amount	Bill Amount	\$ Change from Current
<b>Total Bill</b>	<b>\$ 3,553.58</b>	<b>\$ 2,907.59</b>	<b>\$ (645.99)</b>

## Nonresidential 8" meter, 10,000 gpd

	Current	Uniform	
	Bill Amount	Bill Amount	\$ Change from Current
<b>Total Bill</b>	<b>\$ 20,720.68</b>	<b>\$ 16,493.49</b>	<b>\$ (4,227.19)</b>

## Nonresidential 8" meter, 350,000 gpd

	Current	Uniform	
	Bill Amount	Bill Amount	\$ Change from Current
<b>Total Bill</b>	<b>\$ 621,364.68</b>	<b>\$ 473,491.74</b>	<b>\$ (147,872.94)</b>

# 3 Tier Inclining Block Structure

				Average Family Impact						
		W/WW Tier Cut-offs (gpd)	Combined Rate (\$/kgal)	Current Bill (\$/quarter)	Bill (\$/quarter)	\$ Change (\$/quarter)	% MHI PGC	% MHI MC	% LQI PGC	% LQI MC
3 Block Inclining	Option A	80	\$10.66	\$205.45	\$210.06	\$4.61	1.1%	0.8%	4.2%	3.4%
		165	\$13.43							
		>165	\$17.61							
	Option B	165	\$10.41	\$205.45	\$184.15	(\$21.30)	1.0%	0.7%	3.7%	3.0%
		275	\$13.89							
		>275	\$19.96							

*Average Family – 3 person household using 55 gpd/person*

# 3 Tier – Option A

Basis For Tiers	Costs Included In Tier Rates
<ul style="list-style-type: none"> <li>• 80 gpd – Minimum household sanitary needs for 3 person household (26 gallons/person/day)</li> <li>• 165 gpd – Average use by a typical 3 person household (55 gallons/person/day)</li> </ul>	<p>Tier 1</p> <ul style="list-style-type: none"> <li>• Water: allocated share of base costs, 25% share of MD costs, 100% unrecovered fixed charge revenue</li> <li>• Sewer: allocated share of volume costs; 25% share of capacity, 100% unrecovered fixed charge revenue</li> </ul> <p>Tier 2</p> <ul style="list-style-type: none"> <li>• Water: allocated share of base costs, 150% share of MD costs</li> <li>• Sewer: allocated share of volume costs, 75% share of capacity costs</li> </ul> <p>Tier 3</p> <ul style="list-style-type: none"> <li>• Water: allocated share of base costs; remaining MD and MH costs</li> <li>• Sewer: allocated share of volume costs, remaining capacity costs</li> </ul>
<h3>Responsiveness to Key Pricing Policies</h3>	
<ul style="list-style-type: none"> <li>• Revenue Stability – Moderate with respect to other tiered structures</li> <li>• Conservation – Promotes conservation from all that use more than average household</li> <li>• Rate Stability – 3 Tier Options are closer to current than Uniform, but not as close as 4 tiers options</li> <li>• Affordability – Minimum water needs should be more affordable</li> <li>• Cost of Service – Second closest to Cost of Service after Uniform</li> </ul>	



# 3 Tier – Option B

Basis For Tiers	Costs Included In Tier Rates
<ul style="list-style-type: none"> <li>• 165 gpd – Average use by a typical 3 person household (55 gallons/person/day)</li> <li>• 275 gpd – Average use by 5 person household</li> </ul>	<p>Tier 1</p> <ul style="list-style-type: none"> <li>• Water: allocated share of base costs; 25% share of MD costs; 100% unrecovered fixed charge revenue</li> <li>• Sewer: allocated share of volume costs, 25% share of capacity costs, 100% unrecovered fixed charge revenues</li> </ul> <p>Tier 2</p> <ul style="list-style-type: none"> <li>• Water: allocated share of base costs; 150% share of MD costs; 25% of allocated share of MH costs</li> <li>• Sewer: allocated share of volume costs, 75% share of capacity costs</li> </ul> <p>Tier 3</p> <ul style="list-style-type: none"> <li>• Water: allocated share of base costs; remaining MD and MH costs</li> <li>• Sewer: allocated share of volume costs; remaining capacity costs</li> </ul>
<h3>Responsiveness to Key Pricing Policies</h3>	
<ul style="list-style-type: none"> <li>• Revenue Stability – Most stable of tiered options</li> <li>• Conservation – Promotes conservation for all use over average, particularly for larger volume customers</li> <li>• Rate Stability – 3 Tier Options are closer to current than Uniform, but not as close as 4 tiers options</li> <li>• Affordability – Does not have a tier for minimum sanitary use</li> <li>• Cost of Service – Farthest option from Cost of Service, but closer than current</li> </ul>	

# Bill Impacts – Residential

Single Family Residential 3/4" meter, 26 gpd

	Current	3 Block Option A		3 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
Total Bill	\$ 43.90	\$ 49.32	\$ 5.42	\$ 48.82	\$ 4.92

Single Family Residential 3/4" meter, 100 gpd

	Current	3 Block Option A		3 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
Total Bill	\$ 121.42	\$ 129.48	\$ 8.06	\$ 121.69	\$ 0.27

Single Family Residential 3/4" meter, 55 gpd

	Current	3 Block Option A		3 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
Total Bill	\$ 73.60	\$ 81.30	\$ 7.70	\$ 80.05	\$ 6.45

Single Family Residential 3/4" meter, 165 gpd

	Current	3 Block Option A		3 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
Total Bill	\$ 205.45	\$ 210.06	\$ 4.61	\$ 184.15	\$ (21.30)

Single Family Residential 3/4" meter, 80 gpd

	Current	3 Block Option A		3 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
Total Bill	\$ 91.84	\$ 102.62	\$ 10.78	\$ 100.87	\$ 9.03

Single Family Residential 3/4" meter, 500 gpd

	Current	3 Block Option A		3 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
Total Bill	\$ 822.88	\$ 755.97	\$ (66.91)	\$ 742.21	\$ (80.67)

# Bill Impacts – Non-Residential

## Nonresidential 2" meter, 750 gpd

	Current	3 Block Option A		3 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
<b>Total Bill</b>	<b>\$ 1,414.24</b>	<b>\$ 1,327.39</b>	<b>\$ (86.85)</b>	<b>\$ 1,365.33</b>	<b>\$ (48.91)</b>

## Nonresidential 2" meter, 2,000 gpd

	Current	3 Block Option A		3 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
<b>Total Bill</b>	<b>\$ 3,553.58</b>	<b>\$ 3,352.54</b>	<b>\$ (201.04)</b>	<b>\$ 3,660.73</b>	<b>\$ 107.15</b>

## Nonresidential 8" meter, 10,000 gpd

	Current	3 Block Option A		3 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
<b>Total Bill</b>	<b>\$ 20,720.68</b>	<b>\$ 19,040.84</b>	<b>\$ (1,679.84)</b>	<b>\$ 21,064.53</b>	<b>\$ 343.85</b>

## Nonresidential 8" meter, 350,000 gpd

	Current	3 Block Option A		3 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
<b>Total Bill</b>	<b>\$ 621,364.68</b>	<b>\$ 565,391.09</b>	<b>\$ (55,973.59)</b>	<b>\$ 640,323.53</b>	<b>\$ 18,958.85</b>

# 4 Tier Inclining Block Structure

				Average Family Impact						
		W/WW Tier Cut-offs (gpd)	Combined Rate (\$/kgal)	Current Bill (\$/quarter)	Bill (\$/quarter)	\$ Change (\$/quarter)	% MHI PGC	% MHI MC	% LQI PGC	% LQI MC
4 Block Inclining	Option A	80	\$10.66	\$205.45	\$200.62	(\$4.83)	1.1%	0.8%	4.0%	3.3%
		165	\$12.25							
		275	\$14.86							
		>275	\$18.74							
	Option B	80	\$10.66	\$205.45	\$207.34	\$1.89	1.1%	0.8%	4.1%	3.4%
		165	\$13.09							
		9,000	\$16.16							
		>9,000	\$20.52							

*Average Family – 3 person household using 55 gpd/person*

# 4 Tier – Option A

Basis For Tiers	Costs Included In Tier Rates
<ul style="list-style-type: none"> <li>• 80 gpd – Minimum household sanitary needs for 3 person household (26 gallons/person/day)</li> <li>• 165 gpd – Average use by a typical 3 person household (55 gallons/person/day)</li> <li>• 275 gpd – Average use by 5 person household</li> </ul>	<p>Tier 1</p> <ul style="list-style-type: none"> <li>• Water: allocated share of base costs, 25% share of MD costs, 100% unrecovered fixed charge revenue</li> <li>• Sewer: allocated share of volume costs, 25% share of capacity costs, 100% of unrecovered fixed charge revenue</li> </ul> <p>Tier 2</p> <ul style="list-style-type: none"> <li>• Water: allocated share of base costs; 125% share of MD costs</li> <li>• Sewer: allocated share of base costs, 50% share of capacity costs</li> </ul> <p>Tier 3</p> <ul style="list-style-type: none"> <li>• Water: allocated share of base costs; 125% share of MD costs; 50% share of MH costs</li> <li>• Sewer: allocated share of volume costs, 125% share of capacity costs</li> </ul> <p>Tier 4</p> <ul style="list-style-type: none"> <li>• Water: allocated share of base costs; remaining MD and MH costs</li> <li>• Sewer: allocated share of volume costs, remaining capacity costs</li> </ul>
<h3>Responsiveness to Key Pricing Policies</h3>	
<ul style="list-style-type: none"> <li>• Revenue Stability – Moderate with respect to other tiered structures</li> <li>• Conservation – Promotes conservation for larger volume users better than three tier options</li> <li>• Rate Stability– 4 tier options are closest to the current rates</li> <li>• Affordability – Minimum water needs should be more affordable</li> <li>• Cost of Service – 4 tier options are better than current and fall between the two 3 tier options</li> </ul>	

# 4 Tier – Option B

Basis For Tiers	Costs Included In Tier Rates
<ul style="list-style-type: none"> <li>• 80 gpd – Minimum household sanitary needs for 3 person household (26 gallons/person/day)</li> <li>• 165 gpd – Average use by a typical 3 person household (55 gallons/person/day)</li> <li>• 9,000 gpd – Consistent with current structure. Recognizes non-residential customers</li> </ul>	<p>Tier 1</p> <ul style="list-style-type: none"> <li>• Water: allocated share of base costs, 25% share of MD costs, 100% unrecovered fixed charge revenue</li> <li>• Sewer: allocated share of base costs 25% share of capacity costs, 100% of unrecovered fixed charge revenue</li> </ul> <p>Tier 2</p> <ul style="list-style-type: none"> <li>• Water: allocated share of base costs; 125% share of MD costs</li> <li>• Sewer: allocated share of base costs, 75% share of capacity costs</li> </ul> <p>Tier 3</p> <ul style="list-style-type: none"> <li>• Water: allocated share of base costs; 125% share of MD costs; 75% share of MH costs</li> <li>• Sewer: allocated share of volume costs, 125% share of capacity costs</li> </ul> <p>Tier 4</p> <ul style="list-style-type: none"> <li>• Water: allocated share of base costs; remaining MD and MH costs</li> <li>• Sewer: allocated share of volume costs, remaining capacity costs</li> </ul>
<h3>Responsiveness to Key Pricing Policies</h3>	
<ul style="list-style-type: none"> <li>• Revenue Stability – Least stable of the tiered options</li> <li>• Conservation – Best at promoting conservation for large volume users</li> <li>• Rate Stability – 4 tier options are closest to the current rates</li> <li>• Affordability – Minimum water needs should be more affordable</li> <li>• Cost of Service – 4 tier options are better than current and fall between the two 3 tier options</li> </ul>	

# Bill Impacts – Residential

Single Family Residential 3/4" meter, 26 gpd

	Current	4 Block Option A		4 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
<b>Total Bill</b>	<b>\$ 43.90</b>	<b>\$ 49.32</b>	<b>\$ 5.42</b>	<b>\$ 49.32</b>	<b>\$ 5.42</b>

Single Family Residential 3/4" meter, 55 gpd

	Current	4 Block Option A		4 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
<b>Total Bill</b>	<b>\$ 73.60</b>	<b>\$ 81.30</b>	<b>\$ 7.70</b>	<b>\$ 81.30</b>	<b>\$ 7.70</b>

Single Family Residential 3/4" meter, 80 gpd

	Current	4 Block Option A		4 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
<b>Total Bill</b>	<b>\$ 91.84</b>	<b>\$ 102.62</b>	<b>\$ 10.78</b>	<b>\$ 102.62</b>	<b>\$ 10.78</b>

Single Family Residential 3/4" meter, 100 gpd

	Current	4 Block Option A		4 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
<b>Total Bill</b>	<b>\$ 121.42</b>	<b>\$ 127.12</b>	<b>\$ 5.70</b>	<b>\$ 128.80</b>	<b>\$ 7.38</b>

Single Family Residential 3/4" meter, 165 gpd

	Current	4 Block Option A		4 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
<b>Total Bill</b>	<b>\$ 205.45</b>	<b>\$ 200.62</b>	<b>\$ (4.83)</b>	<b>\$ 207.34</b>	<b>\$ 1.89</b>

Single Family Residential 3/4" meter, 500 gpd

	Current	4 Block Option A		4 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
<b>Total Bill</b>	<b>\$ 822.88</b>	<b>\$ 742.76</b>	<b>\$ (80.12)</b>	<b>\$ 708.30</b>	<b>\$ (114.58)</b>

# Bill Impacts – Non-Residential

## Nonresidential 2" meter, 750 gpd

	Current	4 Block Option A		4 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
<b>Total Bill</b>	<b>\$ 1,414.24</b>	<b>\$ 1,339.04</b>	<b>\$ (75.20)</b>	<b>\$ 1,247.82</b>	<b>\$ (166.42)</b>

## Nonresidential 2" meter, 2,000 gpd

	Current	4 Block Option A		4 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
<b>Total Bill</b>	<b>\$ 3,553.58</b>	<b>\$ 3,494.14</b>	<b>\$ (59.44)</b>	<b>\$ 3,106.22</b>	<b>\$ (447.36)</b>

## Nonresidential 8" meter, 10,000 gpd

	Current	4 Block Option A		4 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
<b>Total Bill</b>	<b>\$ 20,720.68</b>	<b>\$ 20,007.34</b>	<b>\$ (713.34)</b>	<b>\$ 18,137.14</b>	<b>\$ (2,583.54)</b>

## Nonresidential 8" meter, 350,000 gpd

	Current	4 Block Option A		4 Block Option B	
	Bill Amount	Bill Amount	\$ Change from Current	Bill Amount	\$ Change from Current
<b>Total Bill</b>	<b>\$ 621,364.68</b>	<b>\$ 601,415.84</b>	<b>\$ (19,948.84)</b>	<b>\$ 654,770.14</b>	<b>\$ 33,405.46</b>



# Rate Structure Evaluation

	Revenue Stability	Conservation/ Demand Management	Rate Stability	Affordability	Ease of Understanding	Ease of Implementation	Minimize Customer Impacts	Cost Based Rates
Uniform	+	-	-	-	++	+	-	+
3 Block Option A	○	+	○	○	+	○	+	+
3 Block Option B	○	○	○	+	+	○	+	+
4 Block Option A	○	+	○	+	○	○	○	○
4 Block Option B	-	+	○	○	○	○	○	○

# Rates By Class

- ▶ There are numerous alternative rate structures that vary by class.
  - Typically rates for each class are based on some cost of service analysis
  - Need water demands (maximum day and hour) and sewer capacity needs by customer class
- ▶ Current Billing system data base doesn't provide a good breakdown. Unclear what classes it could accommodate (if any)
- ▶ Could use meter sizes as proxy for classes (small, medium, large, very large)
- ▶ AMR (Automated Meter Reading) can provide for more frequent billing and better choice of classes.
- ▶ By segregating smaller residential customers, more ability to target life-line rates

# Rates By Class

- ▶ Two customer classes – Residential and Non-residential
- ▶ Three options:
  - Uniform
  - 3 Tier Residential/Uniform Non-residential
  - 4 Tier Residential/Uniform Non-residential
- ▶ Same tier cut-offs as 3 Tier-Option A and 4 Tier-Option A, respectively

# Rates By Class Options

Options	Tiers	Water (\$/kgal)	Sewer (\$/kgal)	Combined Water/Sewer Rate (\$/kgal)
<b>Uniform</b>				
Residential	N/A	\$6.39	\$8.95	\$15.34
Non-Residential	N/A	\$5.50	\$6.97	\$12.47
<b>3 Tier</b>				
Residential	0-80	\$5.11	\$6.50	\$11.61
	81-165	\$5.53	\$7.95	\$13.48
	>165	\$8.24	\$12.28	\$20.52
Non-Residential	N/A	\$5.50	\$6.97	\$12.47
<b>4 Tier</b>				
Residential	0-80	\$5.11	\$6.50	\$11.61
	81-165	\$5.22	\$7.08	\$12.30
	166-275	\$6.63	\$8.83	\$15.46
	>275	\$9.16	\$14.56	\$23.72
Non-Residential	N/A	\$5.50	\$6.97	\$12.47

# Summary

- ▶ All five rate structures are viable options that address WSSC's pricing policies and customer concerns.
- ▶ All five rate structures would be considered “best in class” solutions to WSSC's complex pricing challenges.